

Community for Life



2016 Annual Report to Our Community

The Regional Municipality of Peel, Ontario, Canada
for the year ended December 31, 2016

 **Region
of Peel**
working with you

Just as there is a perfect set of wheels to move us through each stage of our lives,



the Region of Peel provides diverse services to propel each of our residents forward. From **childhood to our senior years**, we strive to be a vehicle that helps residents live life to the fullest.

We're planning 20 years into the future to create a Peel that is more connected, active and full of opportunity. Take a ride through the pages of our very first ***Community for Life Annual Report*** to explore the path ahead.



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Message from the Regional Chair and Chief Administrative Officer (CAO)

We are very pleased to share the Region of Peel's very first **Community for Life Annual Report**. It combines annual financial reporting with new metrics that track our progress toward achieving the outcomes in our new 20-year Strategic Plan.

The 2015-2035 Strategic Plan was developed under Council's guidance and was based on community insights and priorities. You will see, through this Report, how we are taking steps to achieve the vision set out in our Strategic Plan and addressing the needs of a growing, diverse, and dynamic community.


As we embark on the journey to achieve our vision, we do so with an organizational commitment to find and create new opportunities to work with you, our residents, businesses, and community partners, to create the best possible outcomes for our community.

The Region of Peel recognizes that forming innovative collaborative partnerships with residents, businesses, and other governments is essential to solving today's complex problems. To reflect this commitment, you'll notice that we've recently changed our tagline and logo from "Working for you" to "Working **with** you".


We hope you find this Report informative and encourage you to follow our future progress through the online dashboard that can be found at peelregion.ca/strategicplan.

Sincerely,

Frank Dale
Regional Chair and
Chief Executive Officer
(CEO)

@Dale4Peel 

David Szwarc
Chief Administrative
Officer

@CaoPeel 



Message from the Chief Financial Officer (CFO)



This year's Annual Report is much different than our previous reports – and we're proud of it.

Our inaugural **Community for Life Annual Report** combines the financial information our readers value with compelling examples of the Region's 20-year Strategic Plan in action.

By 2041, it is estimated that Peel Region will grow by 500,000 residents, total jobs will reach 965,000 and, for the first time, the senior citizen population will outnumber children.

To help us meet these and many other dynamic pressures, we are focused on measuring the outcomes – the return on impact – that we are achieving through the services, programs and infrastructure projects we provide across Peel Region. You will find highlights of these outcomes throughout this year's Report.

We are also committed to following a long-term financial planning strategy, ensuring funding decisions made today are affordable in the future. A few notable highlights of this strategy include:

- In 2016, the Region received a Triple-A credit rating, a rating which we held for 21 consecutive years.
- The Region earned a value for tax dollars rating of "very good" or "fairly good" from 75% of citizens surveyed through our 2016 Resident Trust and Confidence Survey.
- The Region maintains \$23 billion of infrastructure in a state-of-good-repair.
- Between 2013 and 2016, the Region's net tax levy increases averaged 1.65%, in line with the Consumer Price Index.

Through the **Community for Life Annual Report**, we are committed to demonstrating the value that we deliver as well as highlighting areas of improvement.

I hope you enjoy the report – it provides you the strategic path the Region is taking to build *Community for Life* in Peel.

Sincerely,

Stephen VanOfwegen
Chief Financial Officer

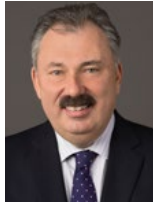
@PeelCFO 

Organizational Overview

Peel Regional Council



Frank Dale
Regional Chair
& CEO



George Carlson



Bonnie Crombie



Johanna Downey



Chris Fonseca



Grant Gibson



Annette Groves



Nando Iannicca



Jennifer Innis



Linda Jeffrey



John Kovac



Matt Mahoney



Sue McFadden



Martin Medeiros



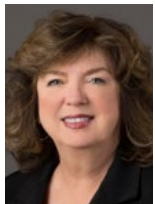
Gael Miles



Elaine Moore



Michael Palleschi



Carolyn Parrish



Karen Ras



Pat Saito



Barb Shaughnessy



John Sprovieri



Ron Starr



Allan Thompson



Jim Tovey

Executive Leadership Team



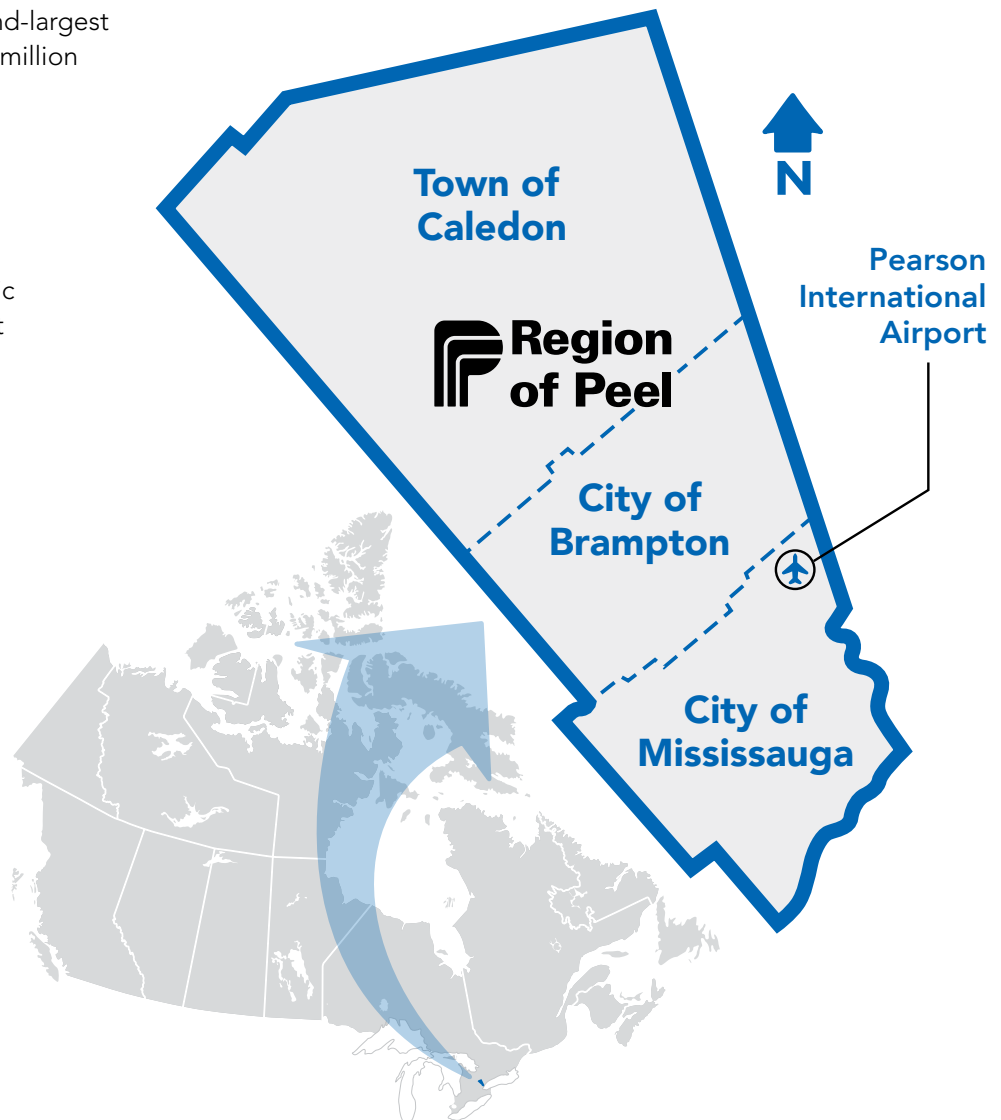
Left to Right: Janette Smith,
Stephen VanOfwegen,
Lorraine Graham-Watson,
David Szwarc, Nancy Polsinelli,
Janice Sheehy

Corporate Organization Chart



The Region of Peel is the second-largest municipality in Ontario, at 1.44 million residents and growing.

Peel has undergone a major transition during the past few decades. Rapid growth and commercial development have transformed Peel into a dynamic urban community with a vibrant economic base.



Our Role in Your Community for Life

Based on the priorities of our residents, the Region of Peel has a guiding community vision: **Community for Life**, which is a place where everyone enjoys a sense of belonging and has access to the services and opportunities they need to thrive throughout each stage of their lives.

The Region of Peel provides a variety of services to bring this vision to life.



Housing
Housing Support
Homelessness Support



Early Years and Child Care
Literacy
Parenting
Child Health



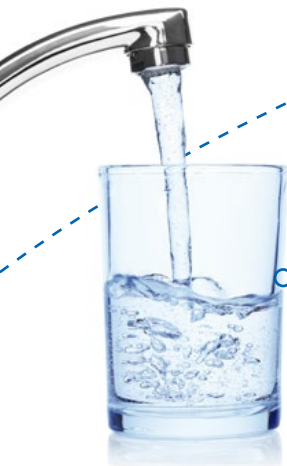
Heritage, Arts and Culture



Public Health
Health Promotion
Health Protection
Disease Prevention



Community Assistance
Income Support
Employment Support
Community Investment



Water Management
Water Supply
Wastewater

Waste Management





Police



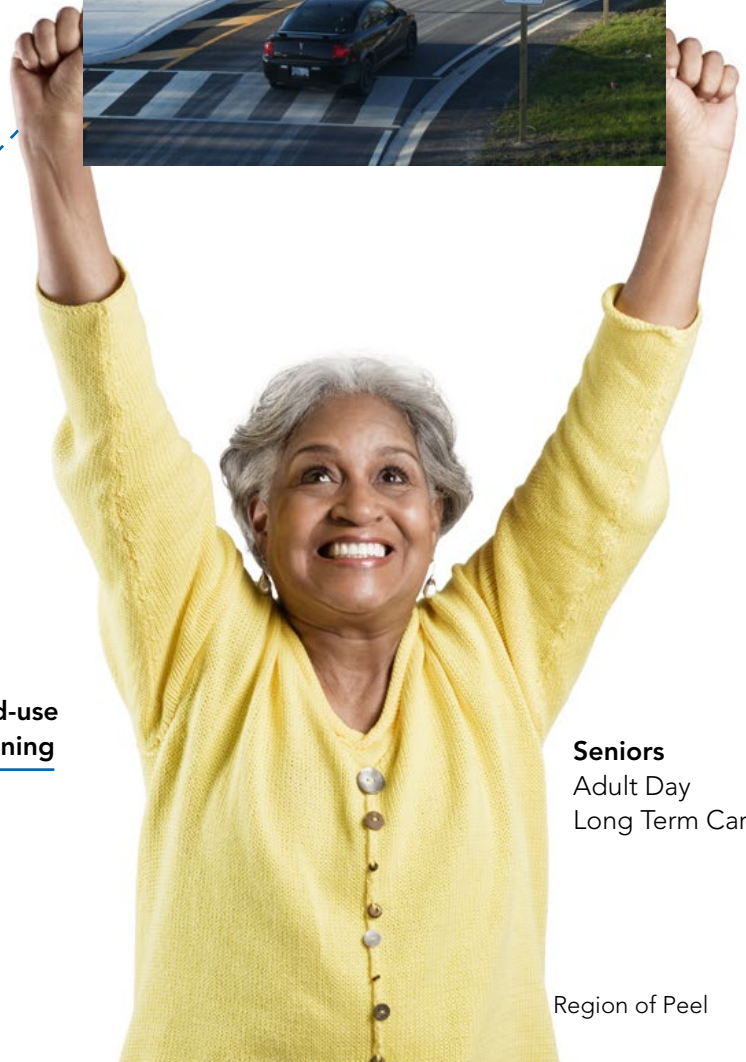
Transportation

Roads and Traffic

Accessible Transportation



Paramedics



Land-use Planning

Seniors

Adult Day
Long Term Care



Region of Peel Strategic Plan

2015-2035

Our 20-Year Plan to Create a *Community for Life* for Our Residents

Building thriving communities in times of change requires a long-term outlook and a guiding plan.

It starts with defining exactly what we're working towards. In the spring and summer of 2015, the Region of Peel reached out to our residents to determine just that.

We connected with thousands of you, our residents, to discover your vision for the future of Peel. Through conversation, surveys, social media, and an interactive exhibit, we heard from people of all ages, backgrounds, and experiences.

You told us that you wanted us to address congestion, build safe and connected communities, and provide opportunities for residents to flourish throughout their lifespan. These priorities are summarized in our new vision: *Community for Life* – a place where everyone enjoys a sense of belonging and has access to the services and opportunities they need to thrive throughout each stage of their lives.

Our 2015-2035 Strategic Plan outlines how we will achieve that vision. It differs from previous strategic plans in that it takes on a 20-year outlook, while continuing to identify priority actions for the current term of council. Unifying actions across multiple terms of council means we can take on bigger challenges than ever before.

Working with you, we are planning today for the future we envisioned together.

Our Vision describes what we are working towards over the long term.

Our Mission describes how we will deliver on our vision and the difference we want to make.

Living, Thriving, and Leading are the areas of focus we will improve through this plan.

Four-year priorities are what we are focused on making advances in during this Term of Council.

20-year outcomes are the long-term community trends we strive to improve.



The **Community for Life Annual Report** is our update to residents on our progress. The following pages combine traditional financial reporting with new Strategic Plan metrics for a full and transparent picture of our achievements in 2016.



Vision: *Community for Life*
Mission: *Working with you to create a healthy, safe and connected community*



Living

People's lives are improved in their time of need.

Thriving

Communities are integrated, safe, and complete.

Leading

Government is future-oriented and accountable.

In this Council term, we are working with partners to...

- increase affordable housing
- reduce poverty
- increase stable employment

- increase waste diversion
- adapt to and mitigate the effects of climate change
- promote healthy and age-friendly built environments
- improve goods movement
- plan and manage growth

- modernize service delivery
- attract and retain top talent
- create a modernized workplace

By 2035, you will...

- have access to services that meet your needs at all stages of life
- have affordable housing options
- have access to employment opportunities of your choice
- have access to culturally appropriate services
- have access to local, nutritious food sources
- have a responsibility to contribute to community well-being

- live in a community that is environmentally friendly
- live in a community that promotes mobility, walkability, and various modes of transportation
- live in a community that embraces diversity and inclusion
- live in a community that promotes economic sustainability and future investments in Peel
- live in a community where growth is well managed
- live in a community where the built environment promotes healthy living

- trust that sustainability and long-term benefits to future generations are considered
- trust that the Region of Peel is a model and progressive employer
- trust that co-ordination and partnerships occur
- trust that a systematic approach to innovation is in place
- trust that the community voice and participation are welcome
- trust that the Region of Peel is a well-managed government

We further support our goals with day-to-day programs and services that improve life for Peel residents



Living =

People's lives are improved in their time of need.

2016 Highlights

7.9^{*} out of 10

Residents' satisfaction rating with the Region's service delivery channels (the method they used to access a service, such as online or in-person).



Protecting Our School Children

To help prevent the spread of communicable diseases, the Province of Ontario enforced new student immunization requirements in the 2015-2016 school year. To support awareness and compliance across Peel, the Region administered more than 3,000 doses of meningitis vaccines to high school students and issued more than 82,000 letters to parents to notify them that their child's immunizations were not up to date.

Smile with Confidence Pilot Program

Vital to our overall health and quality of life, dental care is a basic service many of us take for granted. Unfortunately for many low-income residents living in Peel, lack of full dental care leads to chronic pain, emotional despair, and employment barriers. While emergency dental care is subsidized for low-income residents, important confidence-building procedures such as fillings, dentures, and cleanings are not.

In 2016, Peel Human Services and Peel Public Health partnered together to launch an interdepartmental pilot program, offering a broader suite of dental services to residents receiving Ontario Works support. Through this pilot, we are building confident smiles to support people in achieving better life outcomes.

More than 74,000 children

received dental screenings to ensure any problems were identified for care.



Free Tax Clinics

Across Canada, people are losing out on more than a billion dollars of benefits due to not filing their taxes, not knowing they are eligible, or not knowing how to apply. The Region launched a **File Your Taxes. Get Your Benefits** campaign that offers free tax preparation clinics to help low-income residents discover and receive the tax benefits which they qualify for.

Peel Paramedics responded to **115,029** emergency and non-emergency calls. →



Music Memory Program

In 2016, the Region launched the Music and Memory Program in five Long Term Care homes throughout Peel.

A customized playlist is loaded onto an iPod, allowing clients to enjoy their favourite music, which studies show leads to cognitive benefits.

For many residents suffering with Alzheimer's disease or dementia, listening to their favourite songs from the past can awaken memories, encourage speech, and help them connect once again with those around them.



Hansen Affordable Housing Development

From health and well-being to employment and prosperity, stable housing is a key platform for other successes. In 2016, the Region partnered with the Government of Canada, the Province of Ontario, the City of Brampton, and Services and Housing in the Province (SHIP) to build affordable housing that will provide a stable foundation for hundreds of residents.

The 15 storey building contains 205 units, an indoor playground and retail space. Located on Queen Street in Brampton, the building is close to transit, shopping, schools and employment opportunities.

Hansen Building, Brampton



89% of people surveyed reported they "got what they needed" from Regional Services.*

* Based on 2015 external client satisfaction survey



Living = People's lives are improved in their time of need.

In 20 years:

We want all our residents to say...

I have access to services that meet my needs at all stages of life.

I have access to affordable housing options.

I have access to employment opportunities of my choice.

I have access to culturally appropriate services.

I have access to local, nutritious food sources.

I have a responsibility to contribute to community well-being.

The 4-Year Term of Council Priorities we're focused on to get there:

Increase Affordable Housing

Desired Outcome

Reduce length of time on housing wait list.

In 2016, we:

- Partnered to build a new high-rise in downtown Brampton with 205 affordable housing units.
- Purchased 40 condo units to house people and families on the centralized waiting list for housing.
- Began a time-limited housing allowance project.

Reduce Poverty

Desired Outcome

Increase income for Region of Peel residents, particularly those of lowest income.

In 2016, we:

- Began work towards launching a *File Your Taxes. Get Your Benefits* campaign. This campaign will increase income levels in 2017 by helping low-income residents claim their full tax benefit entitlements.
- Began developing a Community Benefits Model. Over time, this model will help us add social benefits into public infrastructure contracts. These can include commitments to hire local talent, buy local supplies, or provide amenities to local neighborhoods (such as parks and trails).

Increase Stable Employment

Desired Outcome

Metric will be developed based on the Ontario government review.

- In 2016, the Ontario government started the "Employment and Social Assistance Transformation" review, which the Region supports. The review will make recommendations in 2017 that will have implications for how municipalities approach stable employment efforts.



We are monitoring key community trends, including housing affordability, self-rated general health, and food insecurity to track progress towards these objectives. Visit peelregion.ca/strategicplan to view metrics.



Visit peelregion.ca/strategicplan for more information.

Our Ongoing Services to support these objectives: (2016 figures)



Adult Day Services

Learned that **92.7%** of surveyed clients believe programming helped maintain or improve their well-being.

Learned that **54.4%** of caregivers surveyed believe programming helped clients age in place, prolonging their ability to live at home.



Long Term Care

Achieved **4 of 5** Quality of Care targets set by the province of Ontario.*



Income Support

Supported **18,700** households each month (on average) through the Ontario Works program.



Community Investment

Invested **\$7.2** million across 130 community agencies in Peel to support their organizational sustainability and capacity to implement innovative initiatives in the community.



Support for Children with Special Needs

Provided **1,555** children with a range of services focused on their individual needs.



Housing and Homelessness Support

Served **808** individuals through homelessness prevention programs.

Provided **19,620** affordable housing units and homes.

Provided **13,298** people with shelter beds and transitional housing.



Peel Paramedics

Responded to **115,029** emergency and non-emergency calls.

50 ambulances on the road during peak times to respond to 911 calls.



Accessible Transportation

Provided **566,275** accessible trips to 18,000 clients.



Child Care Support

Provided **14,736** fee subsidies, making it possible for lower-income families to benefit from licensed child care.

Supported **40,822** licensed child care spaces with Early Years and Child Care funding.



Free Breastfeeding Consultations

Provided **11,500** free breastfeeding consultations to support a great start for new mothers and their babies.



Free Dental Screenings

Screened **74,705** children for dental conditions of which 11,789 were identified for urgent care.

Provided **4,476** children with free preventative dental services.



Early Literacy Promotion

Supported **6,150** parents and professionals through early literacy workshops and programs.

Attracted **13,000** visitors to the Our Neighbourhood (LION) Mobile Program.



Sexual Health Support

Supported **19,500** visitors at our Sexual Health Clinics, helping to reduce the spread of sexually transmitted infections with free testing, treatment, and contraceptives.

*The five Quality of Care targets are: 1) Number of Emergency Department visits; 2) Percentage of residents developing specific-stage ulcers; 3) percentage of residents who fell; 4) percentage of residents physically restrained; and 5) percentage of residents given antipsychotic medication without psychosis. The Region exceeded targets for #1-#4 by staying below maximum target, but did not stay below the target for #5.



Thriving =

Communities are integrated, safe, and complete.

2016 Highlights



Staff photo by Rob Beintema, Courtesy of *The Mississauga News*

Springfield Garden Community Multi-Sport Court Development

In 2016, Peel Living, a Region of Peel owned social housing provider, partnered with the City of Mississauga and the Erin Mills Youth Centre to transform a vacant parking lot into a multi-sport court for neighbourhood youth.

Through resident engagement, the Springfield Garden community identified the need for a local facility where

kids could play and be active. Peel Living donated land to the City of Mississauga to help bring this vision to life. The court, which supports basketball, soccer, volleyball, tennis, cricket, and hockey, was supported by substantial grants from MLSE (Maple Leaf Sports & Entertainment) Foundation, Canadian Tire Jumpstart Charities, and the Rotary Club of Mississauga West.



Declining Crime Rates

Echoing provincial and national trends, there has been a steady decline in crime rates over the past several years in Peel. Peel Regional Police Services and Caledon Ontario Provincial Police (OPP) work in collaboration with several community partners on crime prevention, community engagement, and building productive relationships with residents.

Showcased Canadian arts and heritage to more than 23,250 visitors at the Peel Art Gallery, Museum and Archives.



JUNE						
S	Monday	T	W	T	F	S
	5 G YW			1	2	3
4	11 R YW	6	7	8	9	10
18	19 G YW	13	14	15	16	17
25	26 R YW	20	21	22	23	24
		27	28	29	30	

Bi-Weekly Cart-Based Waste Collection

Bi-weekly waste collection was rolled out to single-family homes across Peel in January 2016. Since then, nearly half of all household waste has been diverted to recycling or composting centres where it is transformed into usable materials instead of being sent to landfills. Bi-weekly collection is one of our key initiatives to achieve our target of 52% diversion by 2019.



Apartment Organics Collection Pilot Program

Organic waste makes up about 40% of all household garbage and multi-residential units make up about 25% of all homes in Peel. Building on the success of our existing organics collection program, the Region launched a pilot program for 20 apartment buildings and condominium developments in November 2016. The pilot will determine how best to apply an organics program to multi-residential buildings across Peel.



Keeping Peel Moving

Traffic congestion is the number one concern of Peel residents and keeping people moving is central to our economy. In 2016, we reduced congestion on high volume truck routes with signal progression, and installed 10 permanent traffic count stations to improve monitoring.



Thriving = Communities are integrated, safe, and complete.

In 20 years:

We want all our residents to say...

I live in a community that is environmentally friendly.

I live in a community that promotes mobility, walkability, and various modes of transportation.

I live in a community that embraces diversity and inclusion.

I live in a community that promotes economic sustainability and future investments in Peel.

I live in a community that manages population growth effectively.

I live in a community that has a built environment that promotes healthy living.



We are monitoring key community trends, including active transportation, waste diversion and crime rates, to track progress towards these objectives. Visit peelregion.ca/strategicplan to view metrics.

The 4-Year Term of Council Priorities we're focused on to get there:

Increase Waste Diversion

Desired Outcome
Increase waste diversion rate with target of 52% diversion by 2019.

In 2016, we:

- Implemented a bi-weekly cart-based collection program, improving our waste diversion rate by 5% compared to 2015.
- Began a cart-based waste collection conversion strategy for townhomes in Peel.
- Launched an organics collection pilot program with 20 apartment buildings and condominiums.

Adapt to and Mitigate the Effects of Climate Change

Desired Outcomes
1. Reduce surcharge-based sewer backups during severe weather events.
2. Decrease Peel corporate greenhouse gas emissions.

In 2016, we:

- Identified 10 target areas across Peel to reduce the risk of basement flooding during severe weather events (caused by sewer backups).
- Implemented a combination of energy and fleet strategies to achieve the target of 10% reduction in corporate greenhouse gas emissions to below 1990 levels by 2019.
- Formed the Office of Climate Change and Energy Management to integrate planning and delivery of climate change efforts throughout the Organization.

Promote Healthy and Age-Friendly Built Environments

Desired Outcome
Increase portion of development applications meeting healthy development criteria.

In 2016, we:

- Launched a Healthy Development Assessment Tool to support local municipalities and developers in building more walkable, healthy, and age-friendly communities.
- Updated our Official Plan to emphasize healthy and age-friendly design principles in the Regional Official Plan Amendment 27.

Improve Goods Movement

Desired Outcome
Reduce congestion on high volume truck routes at peak hours.

In 2016, we:

- Improved efficiency (travel time, congestion and CO² emissions) on three routes by 23% on average through the coordination of signal timings.
- Installed 10 traffic count stations for traffic monitoring intelligence.
- Partnered to incubate a Smart Freight Centre for the Greater Toronto Area.



Visit peelregion.ca/strategicplan for more information.

Our Ongoing Services to support these objectives: (2016 figures)

Community Safety

Peel Regional Police Services (Brampton and Mississauga) responded to _____

225,076 calls, protecting the safety and property of Peel residents.

Ontario Provincial Police (Caledon) responded to _____

22,783 calls.

Water and Wastewater

_____ Treated _____ million litres of water each day to provide residents with clean, safe drinking water.

_____ Treated _____ million litres of wastewater daily.

Waste Management

_____ Responsibly managed _____ tonnage of waste.

A Roads

95% of the time Met or exceeded winter road maintenance service levels

_____ Maintained _____ lane kilometres of road to help keep residents safe and traffic moving.

Food Inspections

_____ Inspected _____ all of Peel's

5,833 food premises at least one time, helping to keep our communities free of food-borne illnesses.

Childhood Immunization

Our compliance efforts helped more than **89%*** of students receive full immunizations, offering them protection from getting or spreading infectious diseases.

*Average based on measured cohorts, including 87.6% of seven/eight-year-old students, and 90.7% of sixteen/seventeen-year-old students.



The 4-Year Term of Council Priorities: (continued)

Plan and Manage Growth

Desired Outcome

Increase ability for growth to pay for growth (no growth related debt by 2041).

In 2016, we:

- Implemented a new collaborative approach to plan and manage growth for Peel Region with the local municipalities and the development industry.
- Managed debt which is \$640 million lower than projected in 2012.



Leading =

Government is future-oriented and accountable.

2016 Highlights



@regionofpeel



peelregion.ca/join



Connecting with Our Community

In 2016, our website, peelregion.ca, was visited more than 5 million times and our Contact Centre provided live support to more than 1 million callers, both all-time highs for the Region. Being here for you when you need us is important – and so is staying ahead of your needs by sharing information on your preferred channels.

In 2016, we took significant steps to reach out to residents online and through social media. We grew our Twitter community to 17,000 and expanded our Connect 2 Peel electronic newsletter to more than 97,000 subscribers. We continue to work on new ways to add online self-service options, and welcome you into our digital community.

Connect with us today on Twitter (@regionofpeel) and through Connect 2 Peel (peelregion.ca/join)

Investing in Psychological Health and Safety

In 2016, the Region invested in comprehensive programming to support the well-being of all employees, including tailored programs for staff whose positions put them at increased risk for certain conditions, such as Post-Traumatic Stress Disorder. This includes a Peer Support Program for Paramedics, through which trained employees mentor colleagues experiencing challenges.






Improving Supports for Children with Special Needs



Peel Inclusion Resource Services (PIRS) is a partnership between the Region of Peel and five community partner organizations all working to increase access for children with special needs in licensed child care.

Launched in 2013, PIRS helped get families to the right services and helped strengthen the capacity of centres to deliver inclusive services for children and families.

 In 2016, PIRS received the Public Sector Leadership Bronze Award from the Institute of Public Administration of Canada (IPAC) in recognition of service delivery.

Supporting Syrian Refugees

A large portion of Syrian refugees coming to Canada landed at Pearson International Airport in Mississauga. Peel Regional Paramedics were on site for every landing, providing medical care and hospital transportation to passengers in need.

Ongoing, the Region of Peel has been working with many partners including the provincial and federal government, our local municipalities, and other local community partners to provide settlement and integration support. For example, the Region of Peel has helped address priority needs such as providing shelter, immunization, and dental care.



Value for Tax Dollars

In our most recent External Client Satisfaction Survey (2015) 75% of respondents said the Region provided "very good" or "fairly good" value for tax dollars.



Leading = Government is future-oriented and accountable.

In 20 years:

We want all our residents to say...

I trust that sustainability and long-term benefits to future generations are considered.

I trust that the Region of Peel is a model and progressive employer.

I trust that co-ordination and partnership occurs.

I trust that a systemic approach to innovation is in place.

I trust that the community voice and participation are welcome.

I trust that the Region of Peel is a well-managed government.

The 4-Year Term of Council Priorities we're focused on to get there:

Modernize Service Delivery

Desired Outcome
Our services are easy to access and service requests are met through each interaction.

In 2016, we:

- Increased access to Regional services through a variety of channels, including ongoing enhancements to the website.
- Created an integrated Homelessness and Housing platform solution that empowers clients (and housing providers) to access a range of housing services.

Attract and Retain Top Talent

Desired Outcome
We have employees with the skills to deliver on our outcomes.

In 2016, we:

- Enhanced our Leadership Development programs.
- Developed a model for succession planning to ensure the right employees are in place for the future.

Create a Modernized Workplace

Desired Outcome
Our work environment meets the demands of the workforce to deliver on outcomes.

In 2016, we:

- Launched a pilot program to test modern office designs and equipment.
- Implemented select tools and technology to improve productivity.
- Commenced the development of a Culture & Inclusion Strategy to inspire new ways of working and collaborating.



We are monitoring key indicators, including credit rating, client satisfaction with Regional services and corporate Greenhouse Gas Emissions, to track progress towards these objectives. Visit peelregion.ca/strategicplan to view metrics.



Visit peelregion.ca/strategicplan for more information.

Our Ongoing Services to support these objectives: (2016 figures)



Heritage, Arts and Culture

Welcomed

23,250 visitors with local arts and culture exhibits at the Peel Art Gallery, Museum and Archives (PAMA).



Credit Rating

Earned a

Triple-A credit rating—the highest possible rating.



Resident Perception of Value for Tax Dollars

75% of residents surveyed reported that the Region provides very good, or fairly good, value for tax dollars.¹



Resident Trust and Confidence in the Region

Scored

6.3 out of 10 on a Trust and Confidence rating by surveyed residents.²



Status of Regional Infrastructure Assets

Maintained

84% of Regional assets, such as roads, bridges, and buildings, in "good" or "very good" condition.³



Customer Service Excellence

Achieved an

8 out of 10 client satisfaction rating with Regional services.²



Human Resources

Reviewed

43,500 job applications to find qualified candidates for vacant jobs.

Hired

1,085 qualified candidates to fill opportunities in the Region.



1. Focus GTA, Peel Residents Survey, Environics Research, 2016
2. External Client Satisfaction Survey, Region of Peel 2015
3. 2016 Infrastructure Status and Outlook Report card

Peel Today

Peel is the second-largest municipality in the Greater Toronto Area (GTA) and growing steadily. It encompasses a mixed landscape of bustling urban centres, charming villages, and rural lands. Our geography is as diverse as our population. Portions of the Oak Ridges Moraine, the Niagara Escarpment, the Etobicoke Creek, and the Lake Ontario waterfront are contained within our borders.

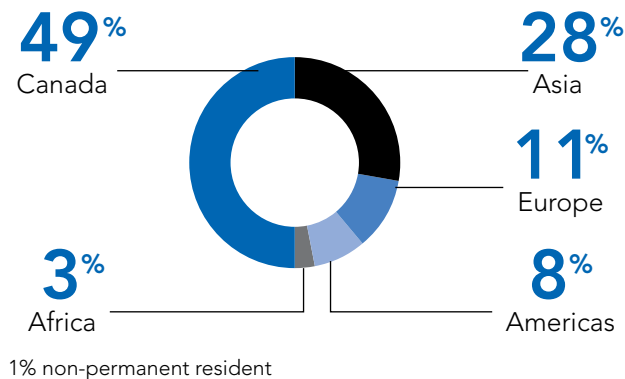
Breakdown of Peel's Population¹



We Are Diverse.

Peel has the largest proportion of immigrants in all of the GTA. **50%** of our population was born outside of Canada.

Peel's Population by Birthplace²



We are Educated.³

The proportion of people in Peel with post-secondary education is higher than in Ontario and Canada as a whole.



83% have at least a high school diploma/certificate

56% have a post-secondary education

We Are Industrious.

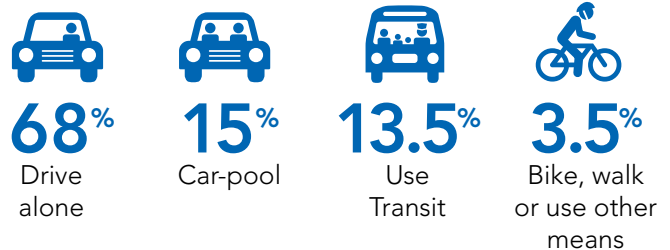
Peel Region is a significant freight hub for Canada.⁵ An estimated **\$1.8 billion**⁵ worth of commodities travel to, from and through Peel every day making Goods Movement a pillar of the Regional economy.



We Are on the Move.

Our transportation network is one of the most travelled in the world. Five major highways, several international railroads, and the Toronto Pearson Airport exist within our borders. **60%** of Peel residents over the age of 15 use our roads to commute to work and **83%** of them rely on personal vehicles to get there.⁶

People Who Commute to Work⁶



Length of Commute⁶ (one way)



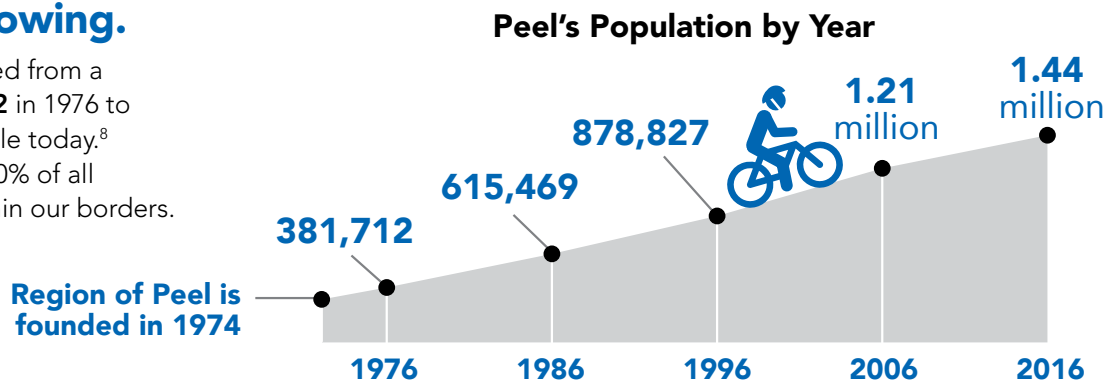
We Are a Young Population.



The average age of our residents is 38.3 years – the youngest average in all of the GTA. Children (ages 0-14) make up **18.3%** of our population – the second highest ratio in the GTA.⁷

We Are Growing.

Peel has blossomed from a Region of **381,712** in 1976 to **1.44 million** people today.⁸ Currently, about 10% of all Ontarians live within our borders.



Peel Tomorrow

Peel will continue to grow and thrive. Over the next few decades, Peel is forecasted to become home to more than half a million additional people. Our communities will also create hundreds of thousands of new jobs, and experience demographic shifts.

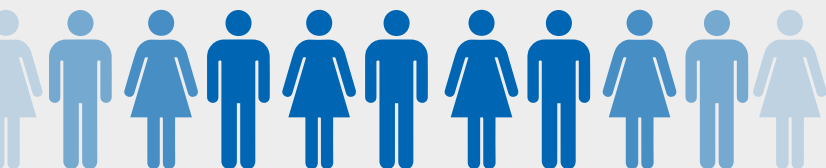
We Will Continue to Grow.⁹

Peel's high quality communities attract people from all over the world. 47 new people move to Peel every day. In the five year period between 2016-2021, our population is forecasted to grow by 110,000 residents – more than the entire population of Thunder Bay.

Peel's total population (M=millions)

Today	In 25 years	Increase
1.44M people	2M* people	39%

* Rounded to the nearest 100,000



We Will Create New Jobs.¹⁰

Peel will continue to attract industry, professionals, and new talent. Businesses within the Region are projected to provide more than 970,000 jobs by 2041.

Jobs in Peel (K=thousands)



Today	In 25 years	Increase
700K jobs	970K jobs	38%

We Will Have a Large and Dynamic Senior Population.

Our population of people aged 65 and over is expected to increase **134%** by 2041. At that time, one in every five residents will be a senior citizen. In less than a decade, people aged 65+ will outnumber children (aged 0-14) for the first time in history.



Peel's senior population (K=thousands)

Today	By 2041	Increase
177K¹¹ seniors	415K¹² seniors	134%

1. Statistics Canada, Census, 2016 (with undercount)
 2. Statistics Canada, National Household Survey, 2011
 3. Statistics Canada, National Household Survey, 2011
 4. Labour Market Survey, Statistics Canada, 2016
 5. Ministry of Transportation, Commercial Vehicle Survey, 2015
 6. Region of Peel's *Peel as a Village*, based on Statistics Canada 2011 Census and National Household Survey (NHS) data

7. Statistics Canada, Census, 2016
 8. Statistics Canada, Census, 1976 – 2016 (with undercount)
 9. Statistics Canada, Census (2006-2016); *Growth Plan for the Greater Golden Horseshoe*, 2013 (Amendment 2)
 10. Statistics Canada; Hemson; *Growth Plan for Greater Golden Horseshoe*, 2013
 11. Statistics Canada, Census, 2016
 12. Statistics Canada 2001 & 2011 Census, Hemson Consultants (Amendment 2 Forecasts)

2016 Peel Economic Highlights

With a strong economic outlook, Peel continues to be a desirable community for residents and businesses.

Location Advantages

Our economy benefits from being located within the economic hub of the Greater Toronto Area and close to United States markets.

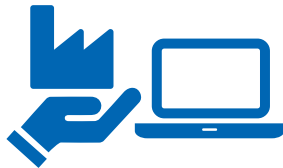


Demographic Advantages

We benefit from a growing, young, and educated workforce.

Diversified Economic Base

The industries in our economy are more diverse than ever before, strengthening our ability to overcome slumps in any given industry.



Infrastructure Development



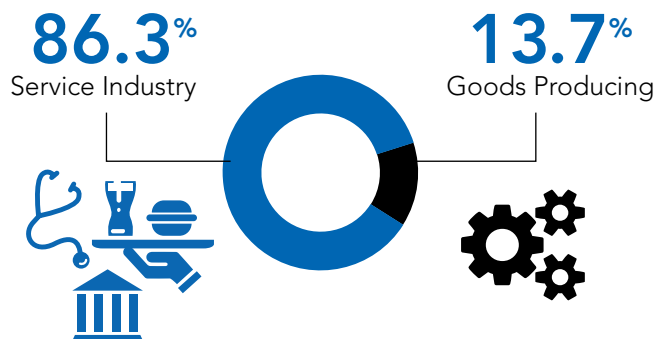
Peel's transportation network continues to expand and bring money into our economy. Planned investments in roads, water, transit, and a new university in Brampton are expected to create more economic growth in the years ahead.



Peel's Business Sector¹

In 2016, Peel's business sector was 155,949 business establishments strong. About 86.3% of all classified Peel businesses are in the service industry, while the remaining 13.7% are goods producing businesses. In 2016, the proportion of service-based businesses increased slightly, up 0.1% from 2015, continuing a long-term shift in Peel's business sector.

Peel's Businesses by Sector



Building Permits²

A building permit is formal permission from a municipality to begin construction, demolition or renovation.



In 2016, the total value of permits issued was approximately \$3.50 billion – a 20.8% reduction from 2015.

This decline was expected. The value of permits issued increased by 39.3% in 2014 and by another 21.7% in 2015. These increases were in reaction to updates to Development Charges By-laws introduced by the local municipalities in 2014 and by the Region in 2015. In an attempt to get ahead of policy updates, developers applied for more permits than usual. As there was no comparable policy change in 2016, a slowing in the pace of applications was expected.



View the Treasurer's Message on page 30 for more details about Peel's finances and the Long-Term Financial Planning Strategy.

Housing Starts³

The beginning of construction on a new home is counted as a "housing start".

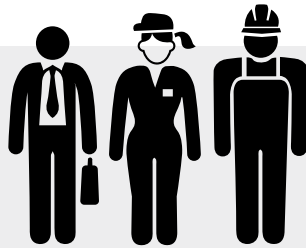


Housing starts are a strong indicator of economic growth as people buying new homes are expected to spend money on goods and services in the same community.

In 2016, there were **5,362** housing starts in Peel, down 33.8% from previous year, but consistent with housing starts in 2014. The year 2015 showed exceptional growth, so the decline in 2016 was not unexpected.

Labour Force

Total labour force is defined as the total number of persons who are employed or looking for work.



In 2016, the total labour force increased by **4.5%** to 854,900. During the same period, the total employed labour force increased by **5%** to 792,600 positions.

Earned Triple-A Credit Rating



In 2016, Peel received a Triple-A credit rating, the highest possible rating, from two international rating agencies. The rating was based on our exceptional liquidity (availability of assets), strong

financial management, commitment to multi-year planning, prudent fiscal policies, and consistent operating results. Based on the credit rating agencies' reviews, the outlook for the Region's credit worthiness remains stable, reflecting an expectation for continued positive results into the future.

Prudent Fiscal Policies

Long-Term Financial Planning Strategy

The Region has a strong Long-Term Financial Planning Strategy to address the increasing financial pressure of Peel's growing and evolving community. This strategy applies a disciplined, comprehensive and integrated approach that identifies and manages risks to our long-term financial sustainability. In 2016, the Growth Management Committee of Council encouraged a new innovative and collaborative approach, working with our local municipal partners and the development industry, to develop an integrated model of planning, servicing and financing growth.



Employment and Unemployment⁴



Peel's employment rate (the proportion of working age population who are employed) was **63.6%** in 2016.

Peel's annual average unemployment rate was **7.3%** in 2016, the lowest unemployment rate in Peel since 2008.



1. Statistics Canada, North American Industrial Classification Systems (NAICS), 2016
2. Statistics Canada, Building Permits Series, 2016
3. Canada Housing and Mortgage Corporation, 2016
4. Labour Market Survey, Statistics Canada, 2016



Community for Life

2016

Financial Section

The Regional Municipality of Peel, Ontario, Canada
for the year ended December 31, 2016



Government Finance Officers Association

**Canadian Award
for
Financial Reporting**

Presented to
**The Regional Municipality of Peel
Ontario**

For its Annual
Financial Report
for the Year Ended

December 31, 2015

Jeffrey R. Emer

Executive Director/CEO

Financials

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List of Acronyms

- DC** Development Charges
- GTA** Greater Toronto Area
- OCWA** Ontario Clean Water Agency
- OMERS** Ontario Municipal Employee Retirement System
- PHC** Peel Housing Corporation
- PSAB** Public Sector Accounting Board
- WSIB** Workplace Safety and Insurance Board

Message from the Treasurer and Director, Corporate Finance

The Region of Peel is pleased to provide this report on the Region's financial performance for the year ended December 31, 2016. In addition to the consolidated financial statements, this report discusses Peel's financial management practices, including the Long-Term Financial Planning Strategy and Peel's budget planning process, and provides highlights of the Region's financial results for the 2016 fiscal year.

In 2016, Peel continued its work on achieving its vision, **Community for Life**, by focusing on the priorities identified by Council and the community in three key areas: Living, Thriving, and Leading. Peel's Finance Department continued to play a key role in helping the organization advance these priorities. The Long-Term Financial Planning Strategy, with a focus on the long-term financial sustainability of Regional services and maintaining the Region's high quality credit rating, was continuously used to help provide Council with financial context as it considers the new priorities, program strategies, and policy changes.

An example of this is in our work on the Plan and Manage Growth Term of Council Priority. In 2016, our Growth Management Committee of Council encouraged a new innovative and collaborative approach working with our local municipal partners and the development industry on developing an integrated model of planning, servicing, and financing growth. This work is pivotal as Peel continues to be one of the fastest growing regions in Ontario. This is evident in the continued population growth that Peel has seen in recent years, which is forecasted to reach 1.77 million by 2031 and just under 2.0 million by 2041.

Peel continues to find the balance between prudently managing financial resources, and investing in the new capital infrastructure necessary to support a growing diverse community. The Region is committed to ensuring growth pays for growth without impacting existing taxpayers. With the need for key Regional infrastructure like water, wastewater, and roads required well in advance of development, the Region will continue to be pressured to incur long-term debt, repaying the cost of the debt from future development charges revenue. The 2015 Development Charge By-law made progress in helping us address this challenge, through the collection of development charge revenues for hard services earlier in the development process, while our work on our new Development Charge By-law and Inter-Municipal Growth Management Working Group will also help us address these challenges.



David Bingham, CPA, CMA
Treasurer and Director,
Corporate Finance

Peel's Triple-A credit rating was reaffirmed by both Standard & Poor's Global Ratings and Moody's Investors Service. The credit rating agencies noted the Region's exceptional liquidity, strong financial management, commitment to multi-year planning, prudent fiscal policies, and consistent, positive operating surpluses resulting from Council's decisions impacting the tax and utility rates, and support of state-of-good-repair reserves. Based on the credit rating agencies' reviews, the outlook for the Region's credit worthiness remains stable, reflecting their expectation of excellent liquidity, continued positive operating results, strong debt affordability, and a stabilizing debt burden. The Region remains one of only 11 Canadian municipalities with this credit rating, and has maintained this credit rating from at least one credit rating agency annually since 1995.

The Regional Economy

The year 2016 marked another positive year for the economy of Peel Region as reflected by changes in key economic indicators. Most growth indicators showed improvements relative to the preceding year. These included indicators such as total population, Peel's total taxable assessment base, the number of business establishments, and prime labour market indicators such as the unemployment rate.

The following are examples of economic indicators that registered positive changes:

- **Population:** Estimated total population in Peel increased to 1.44 million persons;
- **Taxable assessment base:** Peel's total taxable assessment base continued to increase, posting a growth of 1.31%;
- **Business establishments:** Peel's business sector was home to 135,756 classified business establishments in December 2016 compared with 132,106 business establishments in December 2015;
- **Labour force and employment:** Total labour force across Peel Region increased by 37,200 positions, or by 4.5%, to reach approximately 854,900 persons. During the same period, total employment increased by 38,000 positions, or by 5.0%, to 792,600 persons. At this level, Peel's employed labour force was almost 22% above its pre-recession level of 650,200 persons in 2007; and
- **Unemployment rate:** The stronger increase in total employment relative to total labour force resulted in a reduction in Peel's unemployment rate from 7.7% in 2015 to 7.3% in 2016.

These positive changes continued to reflect the influence of the key strategic advantages specific to Peel, which continue to make Peel a desirable destination for residents and businesses.

Similar to the pattern experienced with Development Charge ("DC") By-law updates in the past, the Region saw a 21.7% increase in the total value of building permits in 2015, as builders applied for permits before the DC rate increase, and followed with a decrease of 20.8% in 2016 following the DC rate increase. The number of housing starts increased by 75.8% in 2015 and experienced a 33.8% decline in 2016.

This trend is comparable to the last Development Charge By-law update completed in 2012, where the total value of building permits increased by 38.1% in 2012 and followed with a 28.7% decline in 2013. The number of housing starts increased by 5.9% in 2012 and experienced a 7.4% decline in 2013.

Peel's long-term economic prospects remain positive as there are key factors that will continue to support a vibrant and growing Peel economy over the long term.

These factors include:

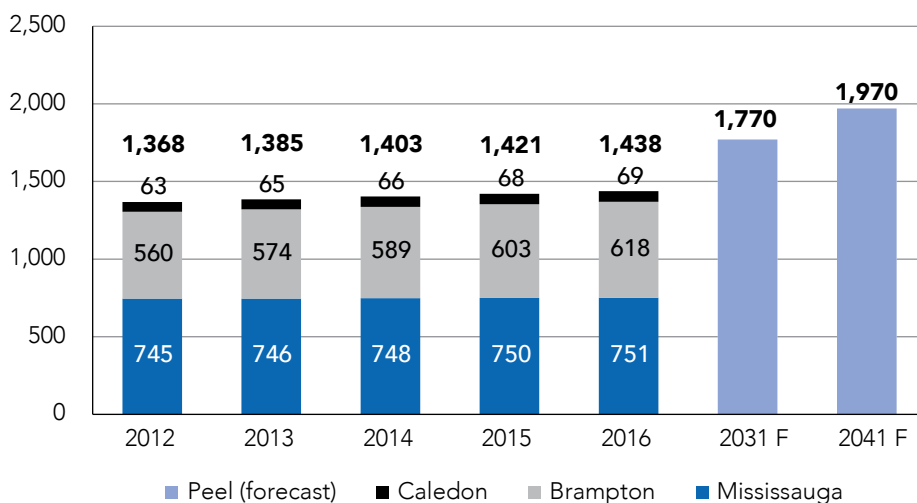
- **Key strategic advantages:** Strategic advantages in Peel such as its location in the vibrant economic hub of the Greater Toronto Area ("GTA"), proximity to the large United States market, the highly developed transportation network, and a young and educated workforce remain and will continue to support economic growth in Peel. These are attributes that will continue to attract both residents and businesses to locate in Peel Region.
- **Diversified economic base:** With the long-term contraction in the manufacturing sector, Peel's economic base is now more diverse and better positioned to withstand economic shocks, should they occur in the future.
- **Continuation of a stable and positive macroeconomic environment:** Price stability and a low interest rate environment, which has existed in Canada over the past few years, are expected to continue throughout 2017 into 2018.
- **Infrastructure development:** Peel remains a prime growth area in the GTA. As such, infrastructure development remains a focus. Key infrastructure projects in roads, water and wastewater, transportation, as well as the Hurontario light rail transit project, which will bring 20 kilometres of fast, reliable, rapid transit to the cities of Mississauga and Brampton along the Hurontario corridor, and the recently announced investment in a university in the City of Brampton, are expected to be catalysts to economic growth over the medium to long term.

As such, Peel Region is expected to continue to experience growth particularly in areas such as population, households, and employment over the long term.

The following is further discussion on some of the prime economic indicators evident in Peel Region during the year.

Population from 2012 to 2016 with Forecast to 2041

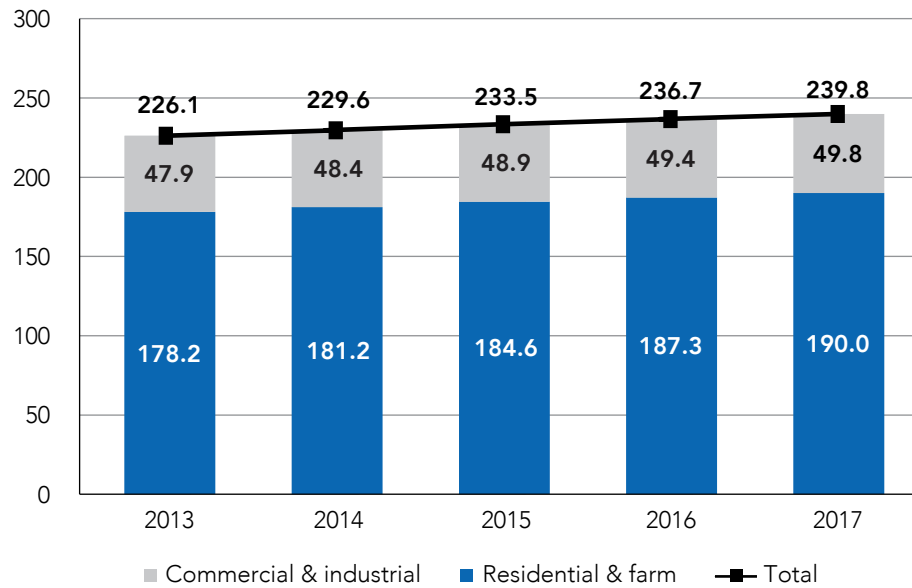
1.27% Average Annual Growth
(Thousands)



Total Population: Peel is the second-largest among GTA municipalities, with population climbing to 1.44 million as Mississauga, Brampton and Caledon all registered higher population levels.

Taxable Assessment from 2013 to 2017

Average annual growth = 1.49% on total normalized assessment
(\$ Billions)

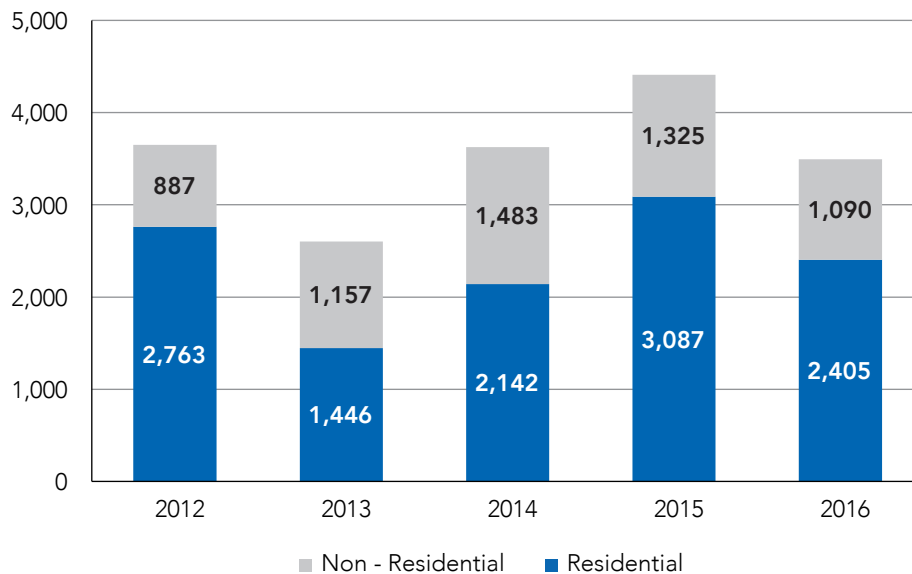


Source: Municipal Property Assessment Corporation, final roll for opening taxation year.

Total Taxable Assessment Base: Peel's total taxable assessment base increased by 1.31% in 2016 (2017 tax year), a slight decrease from 1.35% in the previous year. The slightly lower growth observed in 2016 was characteristic of changes across all three Peel municipalities, as well as in both the residential and non-residential assessment base.

Building Permits Issued from 2012 to 2016

(\$ Millions)

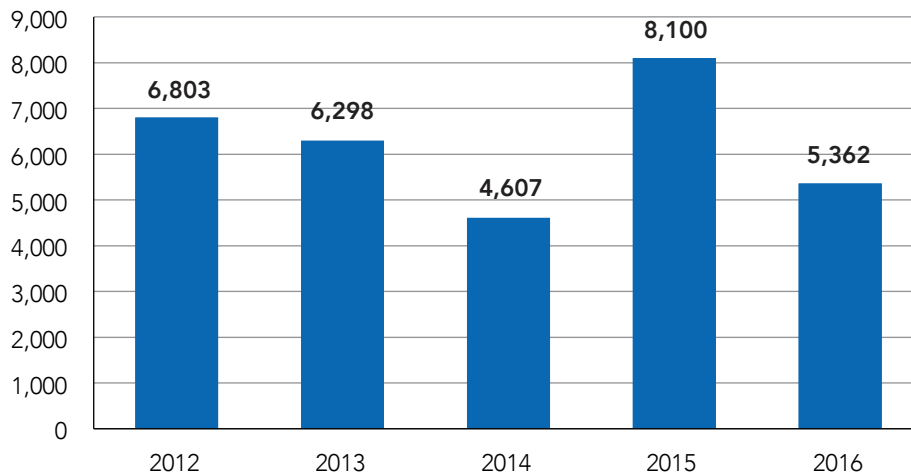


Building Permits: In 2016, building intentions in Peel, as measured by the total value of building permits issued, was approximately \$3.50 billion, representing a 20.8% reduction from the previous year. As a dollar amount, the decrease denotes approximately \$916.84 million lower in building permit receipts. The decline in 2016 followed very positive performances in 2014 and 2015, when the total value of building permits issued advanced by 39.3% and 21.7%, respectively.

The strong growth exhibited in 2014 and 2015 were a result of DC By-laws updated during those years. In 2014, each local municipality implemented updates to their DC By-laws, and in 2015, Peel updated the Regional DC By-law. Prior to these updates in both years, developers brought forward more building permit applications resulting in higher building permit values in Peel. Due to the absence of any similar government policy update in 2016, the reduction in the total value of building permits was expected. This reflects a similar pattern experienced in the last DC By-law update, where the total value of building permits increased significantly in the year prior to implementation of the new DC By-law, and then experienced a decline the following year.

Housing Starts from 2012 to 2016

6,234 Annual Average



Housing Starts: In 2016, the total number of housing starts recorded in Peel Region was 5,362, down 33.8% from the previous year. This came after a year of exceptional growth (75.8% in 2015).

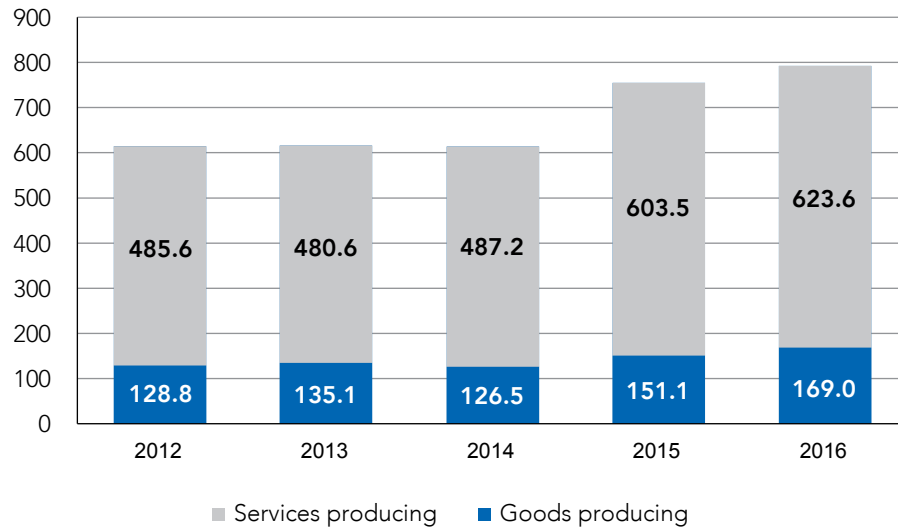
The sharp deceleration in the rate of change in total housing starts in Peel was not unexpected. Many different factors may have underpinned the decline observed but could mainly reflect influences from the following:

- Variation in multiple starts:** The main source of the variation was changes in the multiple segment of the market and more so in the City of Mississauga, a city that is almost fully built out. Changes in multiple starts tend to vary significantly because of a key characteristic of that segment of the market. One large multi-residential project with a substantial number of units can influence the total number of multiple starts in one period. In 2015, the number of multiple units registered was at a multi-year high of 5,049 units. In 2016, these amounted to 2,204 units accounting for a significant portion of the overall change in residential housing starts.
- Response to policy:** In 2014 and 2015, the changes in the total value of building permits issued were robust at 39.3% and 21.7%, respectively. Growth during the two years was triggered by the implementation of new DC By-laws at the local municipal levels (cities and town) in 2014 and at the Regional level in 2015. The increased demand for building permits may have supported the increase in housing starts in 2015 as developers acted on the lower cost building permits acquired before the implementation of the new By-laws. There was no such policy influence in 2016.

The 5,362 housing starts registered in 2016 were comparable to the 4,607 starts registered in 2014, suggesting that housing start activities returned to more normal levels. The Region has identified 6,000 housing starts per annum as the level that will support economic growth and development in Peel at a sustainable rate. Over the past five years, there has been an annual average of 6,234 starts, which is broadly in line with the determined target.

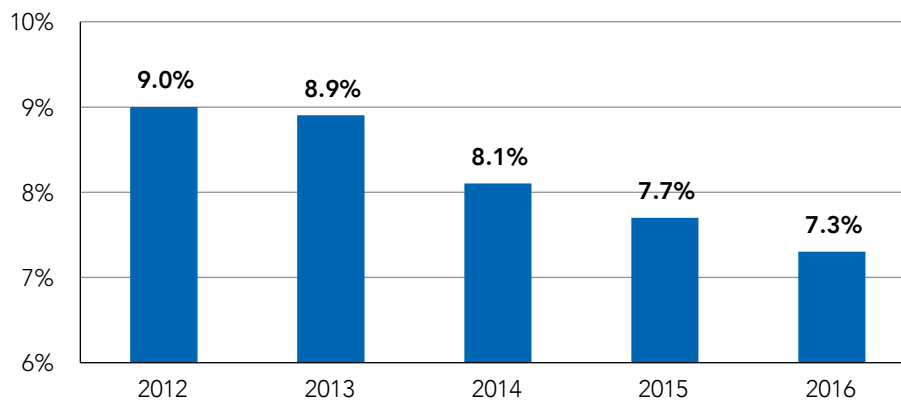
Employed Labour Force from 2012 to 2016

(Thousands)



Source: Labour Force Survey, Statistics Canada.

Unemployment Rate from 2012 to 2016



Source: Labour Force Survey, Statistics Canada.

Labour Market Conditions: As anticipated, broad changes in Peel's labour market remained positive in 2016 as reflected in the changes in key labour market indicators. The total labour force in Peel (which describes the total number of Peel residents who were in the labour market, working or looking for work) increased by 4.5% in 2016 to reach 854,900 positions. During the same time period, total employed labour force (total employment) or residents who were successful in finding work, increased by a slightly faster pace of 5.0% to reach 792,600 positions.

The growth in employment in Peel's labour market contributed to a reduction of Peel's annual average unemployment rate from 7.7% in 2015 to 7.3% in 2016. This was the lowest unemployment rate in Peel since a rate of 6.6% in 2008.

Alongside the increase in employment and the reduction in Peel's unemployment rate, there were improvements in another key labour market indicator in Peel in 2016. Peel's employment rate (the proportion of working age population who are employed) increased from 63.3% in 2015 to 63.6% in 2016. Peel's participation rate (the proportion of working age population who are in the labour market) remained steady at 68.6%, indicating that the rate at which Peel's residents joined the labour market in 2016 was similar to the rate of increase in Peel's working age population.

Employment Profile (Thousands)

	2012	2013	2014	2015	2016	Change 2016/2015
Total labour force	675.0	675.6	668.0	817.7	854.9	4.5%
Employed labour force	614.4	615.7	613.6	754.6	792.6	5.0%
Full-time	515.0	515.7	505.9	638.4	666.3	4.4%
Part-time	99.4	100.0	107.7	116.2	126.4	8.8%
Unemployed	60.6	59.9	54.4	63.1	62.3	-1.3%
Unemployment rate (%)	9.0	8.9	8.1	7.7	7.3	-4.7%
Employment by Industry						
Goods producing	128.8	135.1	126.5	151.1	169.0	11.8%
Services producing	485.6	480.6	487.2	603.5	623.6	3.3%

Source: Labour Force Survey, Statistics Canada.

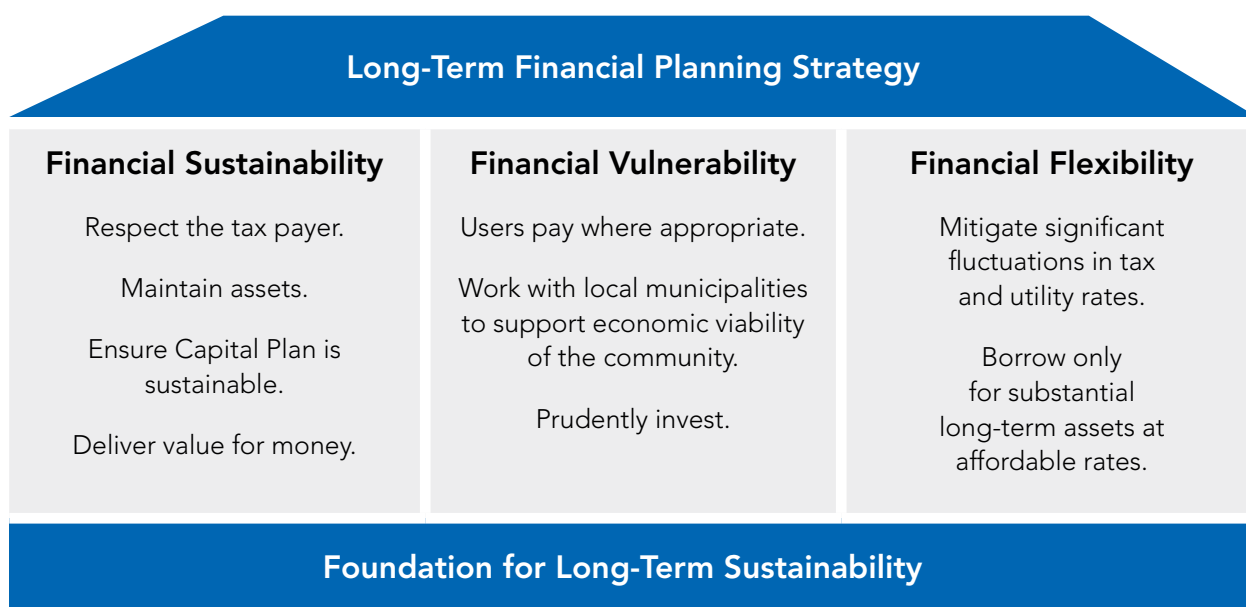
Financial Management Practices

Long-Term Financial Planning Strategy

Peel's Long-Term Financial Planning Strategy ("Finance Strategy") provides a long-term perspective to guide decision making in support of Peel's overall financial condition. The Finance Strategy applies a disciplined comprehensive and integrated approach that identifies and manages the risks to the Region of Peel's long-term financial sustainability and credit rating. The Finance Strategy is used to set priorities for the resources needed to achieve the Region's strategic objectives, and supports the cost-efficient delivery of Regional services.

The figure below demonstrates how the nine financial principles help support the balancing of three pillars – Financial Sustainability, Financial Vulnerability, and Financial Flexibility – to achieve long-term sustainability.

Figure 1.



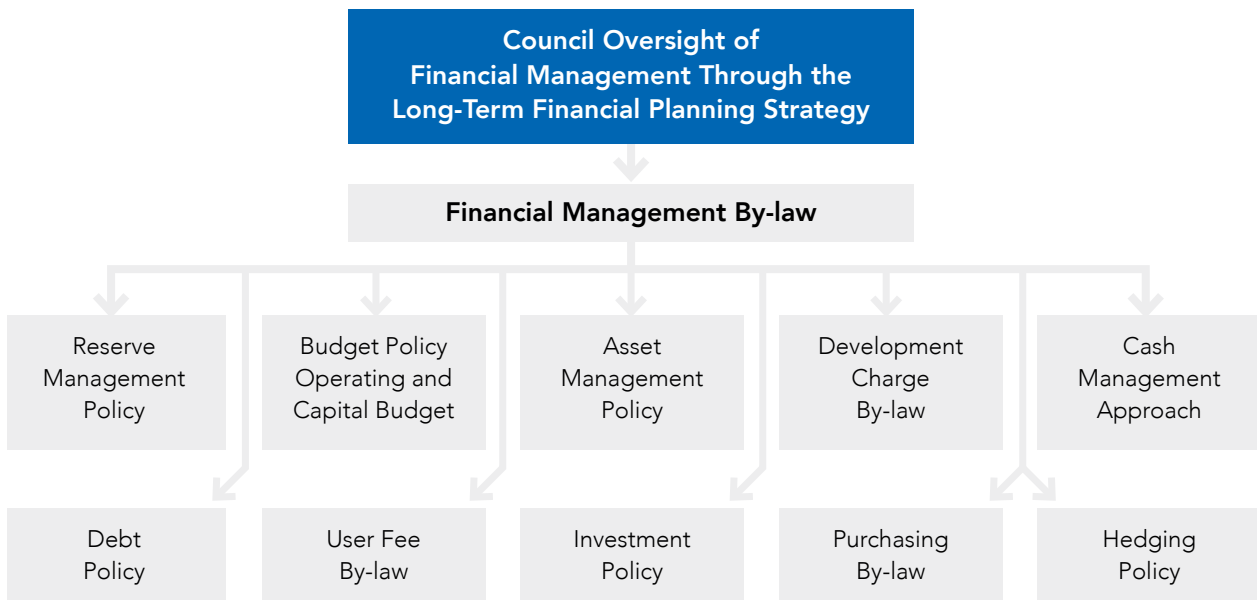
Financial Condition Scorecard

Peel's financial condition is assessed against desired states for the nine financial principles. This assessment is done through the Region's Financial Condition Scorecard, in which key financial performance indicators are used for each desired state. The Scorecard shows three key pieces of information: the indicator for each financial principle, how Peel's current state compares to each indicator, and whether any actions or mitigation strategies are proposed. The results of the financial condition assessment are presented to Council on an annual basis.

Financial Management By-law

To implement the Finance Strategy, the Financial Management By-law ("the By-law") was established with a focus on the nine financial principles as a guide to help with decision making, monitoring, and reporting to Regional Council on the execution of the Finance Strategy. The By-law is also utilized to govern all financial policies, as reflected in Figure 2 below.

Figure 2.



Development Charges By-law

The financial principle, *users pay where appropriate*, along with Regional Council's endorsement of the principle growth pays for growth, is demonstrated in the Region's Development Charges By-law.

The *Development Charges Act, 1997* sets out the framework within which Ontario municipalities are permitted to levy development charges against new development to fund the cost of growth-related infrastructure. Peel's DC By-law contains specific rate and other information on how development charges are levied in Peel.

Over the past decade, Peel has made generational investments in water and wastewater infrastructure to support Peel's growth needs to 2031. Due to the lag between construction of the infrastructure and the collection of revenue when property is developed, the investments required debt financing which has been actively managed through the annual budget review process. Regional Council and staff have been applying enhanced expenditure management through which all major capital projects are monitored in relation to the timing of actual project expenditures in the budget. This will support the appropriate timing and phasing of work, and will help inform debt financing needs.

In 2015, a new Development Charge By-law was approved by Regional Council to ensure Peel's growth capital program is sustainable. The DC By-law was based on the 2031 planning horizon. A key policy change in the new DC By-law was to allow for the collection of DCs for hard services (roads, water and wastewater) at the time of subdivision agreement for most residential development. These were previously collected at the time of building permit issuance. This policy change became effective in February 2016. This will help shift the financing risk from the Region to the development community.

On January 1, 2016, Bill 73 came into force, which included amendments to the *Development Charges Act*. Peel will incorporate the impact of these changes as part of its work on the next DC By-law update, including the inclusion of waste diversion costs, longer notice requirements, and the examination of area-specific rates.

Growth Management Strategy

The Growth Management Committee of Council ("the Committee") was established in 2013 to address key planning issues and develop strategies to mitigate the risks associated with managing growth in Peel. The Region's Strategic Plan ("the Plan") states that a thriving community is one that is integrated, safe and complete. The Plan identifies Growth Management as a Term of Council Priority. The key objective of the Growth Management Term of Council Priority is to manage and reduce the projected cost-revenue gap associated with financing growth in order to increase the ability for growth to pay for growth infrastructure in the Region of Peel. This will reduce the financial risk to the Region associated with issuing debt to pay for growth infrastructure that could impact future utility and property tax rates should development not occur as forecast.

In 2015, Council directed Regional staff to take a different approach to engaging the development community and the local municipalities in exploring alternative growth infrastructure financing options to inform the next DC By-law update targeted to occur in 2018.

In 2016, the Committee gave further direction to Regional staff to engage in consultation with affected stakeholders from the local municipalities and development industry on a new approach to planning, servicing and financing growth as part of the overall growth management program. Using the Region's vision of *Working with you* to create a healthy, safe, and connected community, work will continue to achieve the desired outcome of the Growth Management Term of Council Priority and integrate the efforts involved in planning, servicing, and financing growth.

Corporate Asset Management

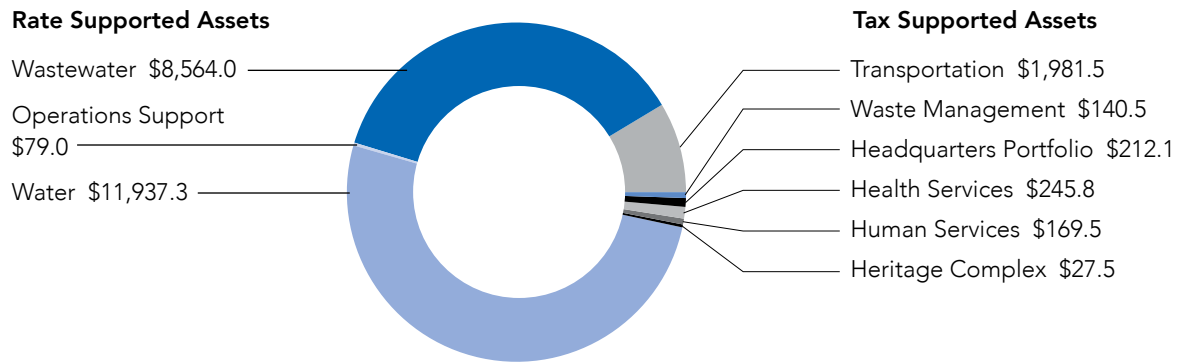
The Region's asset management program supports two key financial principles in the Finance Strategy – 1) *Ensure the capital plan is sustainable*; and 2) *Maintain assets*. The program provides an organizational perspective on the state of the infrastructure, and gives staff and Council the ability to anticipate emerging risks and opportunities within Peel's asset portfolio, and to undertake proactive measures to address the issues. The program uses risk management techniques and lifecycle strategies to provide an optimal balance between the costs to address asset needs to support public services with the affordability to do so.

The program has been implemented for all of the Region-owned capital assets, excluding the assets owned by Peel Housing Corporation, Peel Regional Police, and all Region-owned land assets. The asset management program in Peel is specifically focused on the following:

- Planning and prioritization of infrastructure needs across the organization;
- Long-term sustainability of assets and services;
- Increased transparency of the annual budgets and forecasts; and
- Support for the capital planning process.

As shown in Figure 3, the Region’s assets have an estimated replacement value of \$23.4 billion (2015 values), which will increase with Peel’s population growth. Therefore, it is important to view the Region’s infrastructure reinvestment needs beyond the 10-Year Capital Plan horizon and include asset management costs for growth-related infrastructure that Peel will own in the future. This will ensure the long-term financial sustainability of the utility rate and property tax supported reserves at rates the public can afford. This also enables the Region of Peel to efficiently and effectively manage its assets to meet the service needs of residents, while ensuring the sustainability of infrastructure over the long term.

Figure 3. 2015 Region of Peel’s Asset Replacement Value (\$23.4B)
(\$ Millions)



The adequacy of the utility rate capital reserves over a 20-year period have been assessed; rate increases have been identified in the 2017 Budget and forecast to maintain sustainability of the water and wastewater infrastructure, which account for 87.6% of the Region’s total asset replacement value. The adequacy of the tax-supported capital reserves is assessed based on a 10-year period to identify the tax increases for the 2017 Budget and forecast. The data needed to assess the adequacy of the tax reserves over a 20-year period will be collected over the next couple of years.

Other Practices

As illustrated previously in Figure 2, the Region has several other financial policies and strategies that establish the objectives, responsibilities, controls, and reporting requirements for risk management, financial planning, debt/investment management, and revenue and expenditure control. Another key area of financial management is the Council approval of the Operating and Capital Budgets as described in the Budget Planning Process section on the following page.

Audit and Risk Committee

The Audit and Risk Committee was created in 1995. Its mandate is to fulfill the dual roles of: 1) ensuring that corporate financial reporting and the annual financial statements meet all legislative requirements and are credible and objective; 2) ensuring that responsibilities for sound management practice and management control are fulfilled by management and staff.

The objective of the Audit and Risk Committee is to assist Regional Council, and associated Boards and Agencies, in the discharge of their governance, accountability, and controllership responsibilities by advising that risks are being appropriately addressed through strong governance, a risk/control and compliance framework, appropriate stewardship and an effective internal audit activity. This includes reviewing and advising on:

- The integrity, quality and transparency of the Region’s financial, management, and operational information;
- The effectiveness of the financial and management reporting processes;

- The effectiveness of risk management and control processes and practices;
- The performance of the internal audit activity and assessing the effectiveness of the external audit function; and
- Ethical business conduct and compliance with the Region of Peel's Employee Code of Conduct.

The Committee is comprised of six Members of Council: the Regional Chair (Ex-officio), a Chair, Vice-Chair, and three other Regional Councillors. There must be a Member of Council from each of the three local municipalities. The term of the appointment is for a period of 24 months.

Budget Planning Process

The annual budget planning process provides necessary resources to support advancing Council's priorities and delivering on the strategic outcomes and operational priorities for the Region. The Region's Strategic Plan and Term of Council Priorities are the foundation for the development of the budget.

The budget process begins each spring with members of the Executive Leadership Team meeting to discuss overall pressures and priority outcomes of Council. Subsequent to this review, a report recommending an approach for the upcoming year's budget, including a net tax levy target, is provided to Council. Council considers the report and provides staff with high-level direction on developing the budget.

In addition, the following principles were also followed while developing the budget:

- Continuing Peel's tradition of prudent fiscal planning to protect long-term financial sustainability;
- Identifying efficiencies to help offset inflationary pressures;
- Funding service demands from assessment growth;
- Addressing the most urgent needs in the community as identified through the strategic planning process;
- Aligning resources to increase the effectiveness of desired outcomes; and
- Commitment to measure the success of the plan.

In the fall, the Chief Administrative Officer and the Chief Financial Officer meet with senior management and key staff from every program area to align resources to areas of greatest risk and to establish each program's budget recommendation to Council.

The Operating Budget includes the expenses and revenues approved by Regional Council for the period from January 1 to December 31 each year. A new approach was adopted during the 2016 Budget process, where the 2017 net levy budget target was considered during the current year budget deliberations. This serves as a starting point for Regional staff and external agencies in their business planning for the following year's budget.

Senior management and staff will also review the three-year forecast to determine if any budget assumptions have changed or if there are any significant pressures on the horizon that should be addressed.

The annual Capital Budget includes the expenditures and financing sources to acquire, construct, and maintain Regional assets approved for capital spending. The 10-Year Capital Plan provides the long-term view of the Regional infrastructure and non-growth related asset acquisition or construction requirements as well as the related financing sources.

Staff report back to Regional Council on a triannual basis with an update on the financial results of the Operating and Capital Budgets.

2016 Budget

The 2016 Budget demonstrates an emphasis on providing the right services in the most cost-effective way, thereby ensuring value for money to Peel's tax and utility ratepayers. It reflects Peel's commitment to being citizen focused, maintaining and improving existing services, while being fiscally responsible and financially stable.

Peel is facing a changing and dynamic environment. Significant trends are resulting in increased program pressures and more complex community issues. Therefore, the financial resource requirements to support 2016 program priorities were established by examining key budget drivers including changing population, state-of-good-repair infrastructure, citizen safety, legislative compliance, provincial subsidies, inflationary and economic impacts, and environmental issues, such as climate change, all while ensuring value for money to Peel's ratepayers.

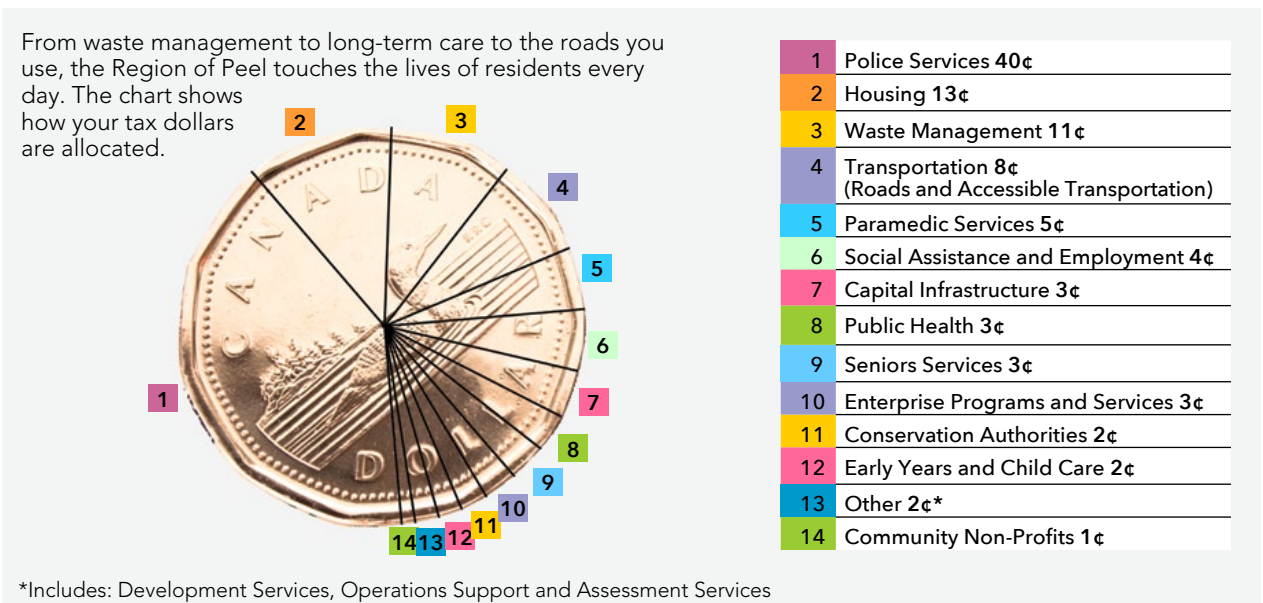
Property Tax Supported Budget

The approved 2016 Budget included a 1.9% net levy increase for the Region's portion of the municipal tax bill, equivalent to an average of \$35 per household assessed at \$452,500. Service level enhancements incorporated into the budget include the following:

- 38,000 more TransHelp trips;
- Operation of the new paramedic reporting station and three additional satellite stations;
- Two additional ambulances, operating 24 hours a day/seven days a week, to address an increase in 911 calls;
- Additional support to the not-for-profit sector to support organizations in their overall sustainability and operational health;
- An additional 142 housing subsidies to help individuals and families obtain affordable housing;
- 20 frontline Peel Regional Police officers;
- Addressing the impact of the Emerald Ash Borer in the Credit Valley Conservation and Toronto and Region Conservation Authority tree canopy; and
- An infrastructure levy to maintain Peel's capital assets.

Figure 4 below outlines how Regional tax dollars are allocated to the various services provided to Peel residents.

Figure 4. Can You Show Me Where My Tax Dollars Are Going?



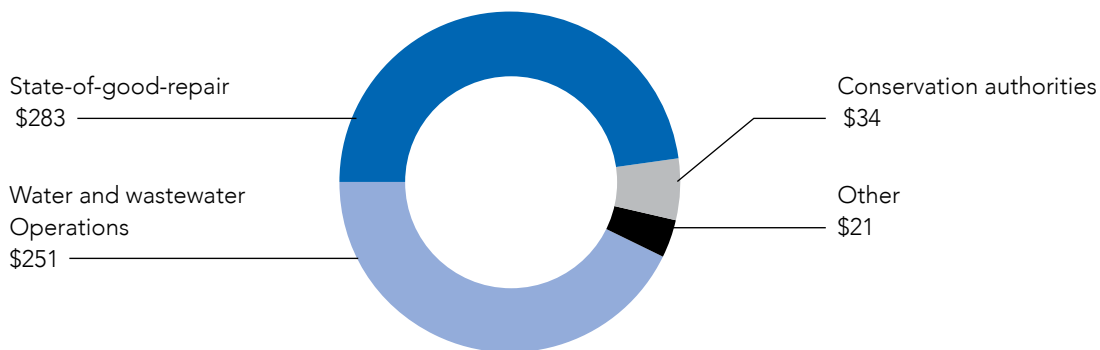
Utility Rate Supported Budget

The Region operates and maintains two major water treatment facilities and two major wastewater treatment facilities on Lake Ontario, as well as pumping stations, reservoirs, wells, and more than 8,113 kilometres of watermain and wastewater pipes. The Region also ensures the accuracy of more than 322,000 water meters and the timely delivery of water bills based on actual readings. The Region's operations include the supply of water to the Region of York under the terms and conditions of the York-Peel Water Supply Agreement under which, by 2031, 1.0 million York residents will receive Peel water in addition to the 1.77 million residents in Peel Region.

The Region continued to enjoy the lowest combined water and wastewater rates in the GTA despite a 2016 Budget increase of 9.0%, or \$47 per year for an average household.

The following chart depicts how an annual homeowner's utility bill of \$589 supported water and wastewater services.

Figure 5. How an Average Household's Utility Bill (\$589) Supports Water and Wastewater Services



10-Year Capital Plan

The 10-Year Capital Plan (2016–2025), valued at \$5.4 billion and funded through property tax, utility rates and development charges, represented the long-term commitment by the Region of Peel to serve Peel residents and ratepayers through prudent asset management and maintenance of Regional infrastructure.

Capital reserve contributions have been included in the 2016 Budget to support the long-term financial investment in the state-of-good-repair of both Regional tax supported assets and utility rate supported assets. A 1.0% infrastructure levy was included in the property tax supported budget and 3.5% infrastructure levy was included in the utility rate supported budget.

2016 Financial Results

The 2016 consolidated financial statements have been prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. The statements and related information are the responsibility of management and include the financial activities of all entities deemed to be controlled by Peel, including the Peel Regional Police Services Board and the Peel Housing Corporation.

The *Ontario Municipal Act, 2001* requires the Region to appoint an independent auditor to express an opinion as to whether the financial statements fairly present the Region's financial position and operating results. The consolidated financial statements have been examined by Peel Region's auditors, Deloitte. Deloitte has issued their unmodified audit opinion on the financial statements. Their report can be found prior to the consolidated financial statements on page 52.

Consolidated Statement of Financial Position

PSAB standards for reporting require the Region to distinguish between financial and non-financial assets. Financial assets are assets on hand, which could provide resources to discharge liabilities or finance future operations. The difference between financial assets and liabilities, or net financial assets (net debt), is an indicator of the Region's ability to finance future activities and to meet its liabilities and commitments. Non-financial assets represent economic resources that will be employed by the Region of Peel to deliver programs and provide services in the future.

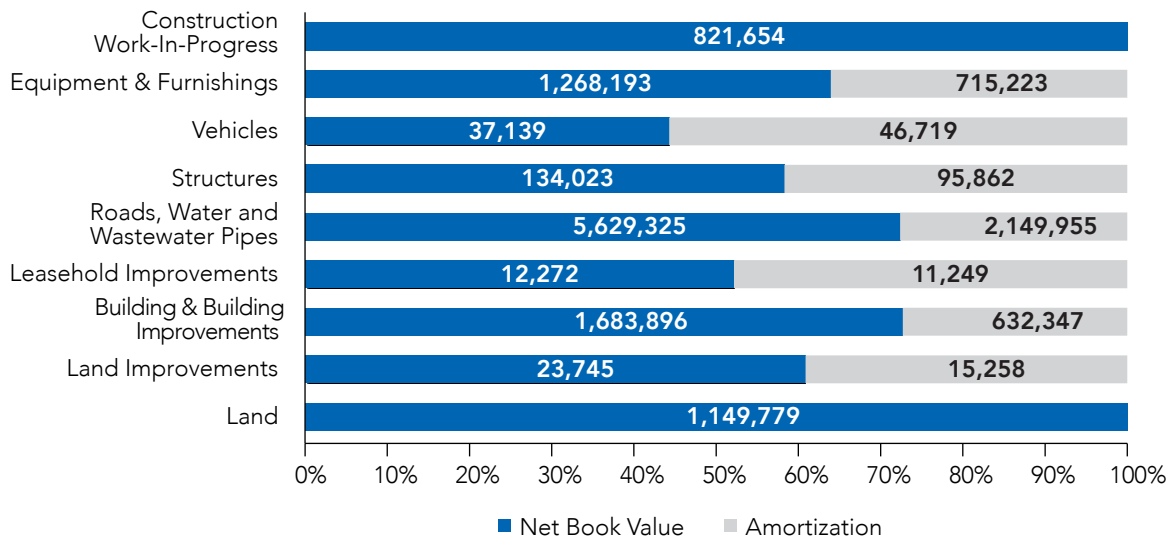
In 2016, the Region had a net financial asset position of \$10.4 million, an increase of \$157.5 million from last year's net debt position of \$147.0 million. This is a result of the increase in financial assets being greater than the increase in financial liabilities during the year.

Peel's financial assets increased by \$294.9 million, due to higher balances in both cash and short-term investments and long-term investments.

Financial liabilities increased by \$137.4 million due to an increase in long-term debt and overall accounts payable, slightly offset by a decrease in mortgages payable. In 2016, the Region's net long-term debt position increased by \$83.8 million, as reflected in Note 7 of the financial statements. The increase was a result of the Region issuing \$150 million in external debt for its own purpose, which was slightly offset by a \$3.9 million decrease in outstanding debt due to principal repayments, a \$37.9 million decrease due to sinking fund provision payments, \$23 million mortgage principal reduction for Peel Housing Corporation, and the \$1 million repayment of the note payable by Peel Housing Corporation. During the year, the Region also issued \$37.6 million in debt on behalf of the City of Mississauga and \$3.1 million in debt on behalf of the Town of Caledon.

Total non-financial assets include tangible capital assets, supplies of inventories, and prepaid expenses. The \$230.4 million increase in the net book value of tangible capital assets to \$10,760 million was a result of the significant capital acquisitions that occurred during the year. Total historical cost is \$14,426.7 million and the total accumulated amortization is \$3,666.6 million, implying that 74.6% of the service potential of the assets remains to deliver programs and provide services. Figure 6 represents the service potential of the tangible capital assets based on asset category.

Figure 6. 2016 Tangible Capital Asset Net Book Value and Accumulated Amortization
(\$ Thousands)



Consolidated Statement of Operations

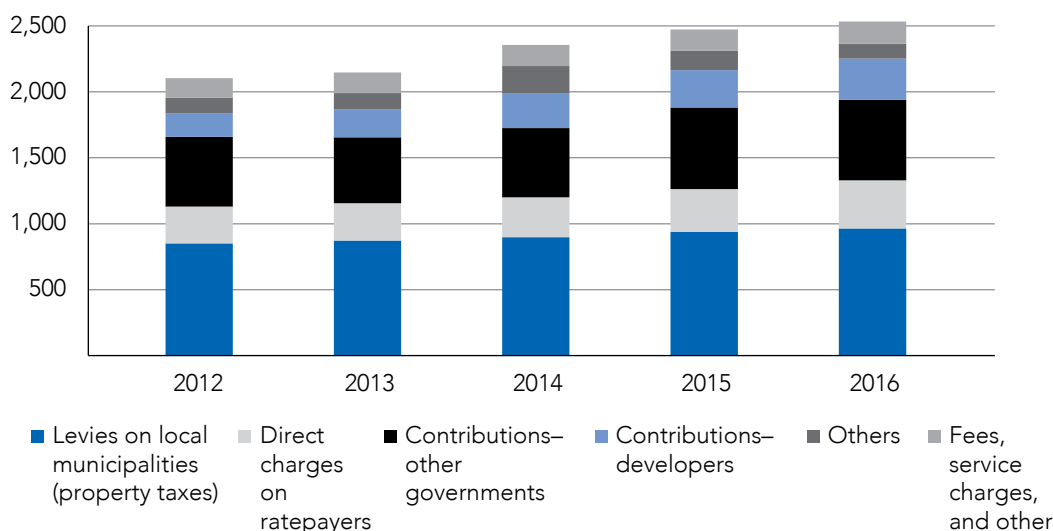
Peel Region achieved a surplus of \$387.9 million in 2016, which was a decrease of 12.0% from the prior year.

Revenues

Total revenues reported on the Consolidated Statement of Operations total \$2,533.3 million in 2016. This represented an increase of 2.5% over prior year, which was a result of an increase in property tax and utility rates as approved in the 2016 Budget, as well as increases in contributions from developers. Contributions from other governments decreased slightly due to lower recoveries received from York Region for water capital projects, and lower funding for housing capital projects, which are both based on current year project activity.

Figure 7 below summarizes the sources of revenue used to fund Peel Region’s operations and capital investments from 2012 to 2016.

Figure 7. Revenues by Category from 2012 to 2016
(\$ Millions)



Over the past five years, levies on local municipalities (property taxes) and direct charges on ratepayers have represented just over 50% of total revenues. Since the implementation of the Finance Strategy in 2013, the average net levy budget increase was 1.65% between the years 2013 to 2016, which is in line with inflation for the same period. This is evident of Peel's financial sustainability and flexibility, through its respect for the taxpayer in maintaining increases similar to the rate of inflation, and ability to mitigate any significant fluctuations in tax and utility rates through the use of reserves.

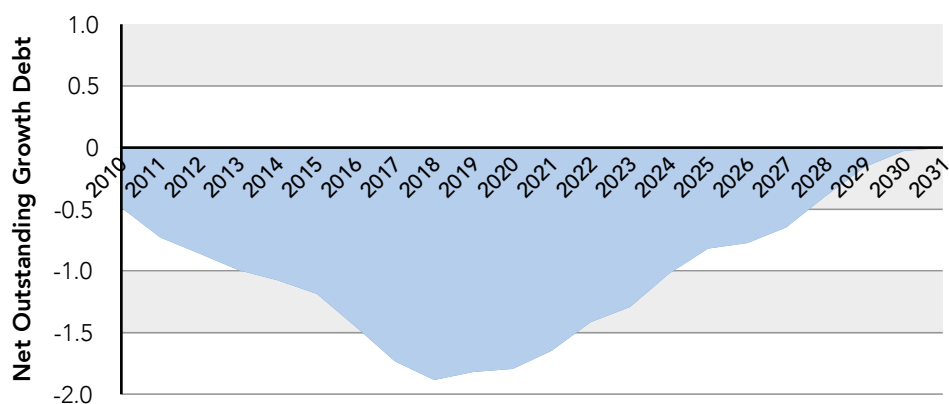
A trend also demonstrated in the chart above is the stability in the transfer payments received from other governments. Although the Region has limited or no control over these payments, these revenues remained steady representing 22% to 25% of total revenues over the past five years. Slight fluctuations were experienced due to specific funding received for capital investments, such as funding from York Region for water projects, and specific funding decisions made by the Province of Ontario.

Contributions from developers have seen an increasing trend over the past five years, going from 9% in 2012 to 12% of total revenues in 2016. Various strategies have been used in the recent DC By-law updates that have contributed to these increases. These strategies include assessing the adequacy of the DC rates on an annual basis starting in 2012, as well as the 2015 DC By-law update – implementing significant changes to modelling assumptions, ensuring better alignment between revenues and costs, and advancing residential DC collections from issuance of building permit to subdivision agreement.

These revenue strategies combined with enhanced expenditure management have led to a reduction in the cost-revenue gap for the first time in the last ten years. 2016 DC revenues were \$311.0 million, whereas growth-related capital expenditures were \$219.8 million, and related DC debt repayment charges were \$90.1 million. This contributed to the reduction in the negative balance of the Development Charges Reserve Fund over prior year. The 2016 balance in the Reserve Fund was \$1.073 billion, reduced from \$1.133 billion in 2015. This balance is funded 100% from the proceeds of debt issued in current and past years.

Figure 8 below indicates that the Region's cost-revenue gap of the growth management capital program is expected to be fully funded, including related debt service costs, by development charges by the year 2031.

Figure 8. Cost-Revenue Gap of the Growth Program
(\$ Billions)

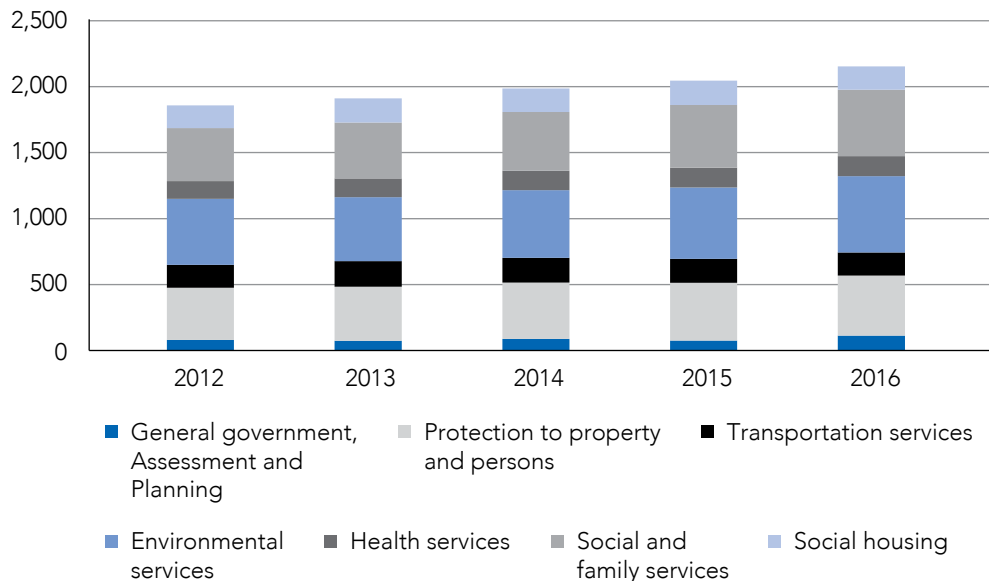


Expenses

Total expenses reported on the Consolidated Statement of Operations were \$2,145.4 million in 2016, representing an increase of \$108.0 million or 5.3% over 2015 expenses. Environmental services spending rose by \$38.9 million due to higher amortization expenses, higher spending on non-capitalized project costs, and higher waste disposal costs as a result of higher amounts of organics being collected and processed through the introduction of bi-weekly waste collection. General government expenses increased by \$37 million, which resulted from increases in non-capitalized project costs, amortization expenses and the disposal of some assets. The increase also included \$14 million related to a new municipal tax appeal allowance related to the outstanding backlog of assessment appeals. Social and family services spending grew by \$27.2 million over prior year, with the bulk of the increase relating to provincially-funded social assistance payments and increased grants and transfer payments resulting from the expanded role for the municipal service system manager as legislated in the new *Child Care and Early Years Act*.

Figure 9 shows the composition of spending by function over the past five years. Total expenses have followed an increasing trend due to inflationary pressures, as well as costs related to service level enhancements and expenses relating to funding received from other governments.

Figure 9. Expenses by Function from 2012 to 2016
(\$ Millions)



At the program level, expenses have generally remained stable as a percentage of total expenses. Environmental services spending over the past five years ranged from 25% to 27% of total expenses. As evidenced in the Statement of Changes in Net Financial Assets (Debt), the Region acquired \$448.8 million of tangible capital assets in 2016, with the bulk of this relating to water and wastewater infrastructure. As the Region continues to acquire or construct new assets, the amortization expense continues to increase.

Social and family services remained consistent ranging from 22% to 23%. The bulk of the spending in these programs relate to grants and transfer payments due to funding received from other governments that is distributed as flow through payments to social assistance program recipients and children's services providers.

Financial Statement to Budget Comparison

Peel currently completes their budget using cash accounting, and uses accrual accounting for the audited year-end financial statements, as required by PSAB. The budget is developed on a cash basis since two of its primary objectives are to determine the amount of financing and tax revenue required by the municipality to balance its budget. The Budget Document is prepared as a business case as its focus is to inform decision making. The year-end financial statements are prepared on an accrual basis that provides a historical review of past financial performance.

Due to the differences in methodology, adjustments are needed to convert the budget from a cash basis to a full accrual basis. The adjustments include the additions of revenues and expenses from the capital budget, the recognition of contributed assets as revenue, amortization expenses, as well as the removal of inter-fund reserve transfers. Given that certain budget information is not available in full accrual format, the assumption of using budget adjustments that equal the actual full accrual adjustments are used. The full accrual budget estimates are unaudited and for financial statement presentation only. The detailed budget reconciliation from cash basis to full accrual basis is disclosed under Note 10 of the financial statements.

When comparing the adjusted PSAB accrual based budget to the actual operating results in the Consolidated Statement of Operations, the actual annual surplus is higher than the budgeted amount by \$216.9 million. The variance is mainly driven by higher-than-budgeted developer contributions, higher-than-budgeted revenues (including \$58.6 million in contributed capital assets received from developers that are not included in the budget), higher-than-budgeted water billings (due to higher consumption driven by water patterns), and higher-than-budgeted fees, service charges, and other revenues.

Outlook for 2017 and Beyond

The 2017 Budget supports the Strategic Plan in its three areas of focus and also address key Council priorities identified by the community and Council.

The 2017 Budget balances the investments in the residents and communities of Peel with a responsible net tax levy increase of 2.3%. Major 2017 service level enhancements include:

- Additional accessible transportation trips;
- Two more ambulances on the road to address additional 911 calls;
- An investment to support affordable housing;
- Subsidy for low-income "MiWay" users;
- A new youth shelter in Brampton;
- Changes to provincial programming for immunization;
- More support to seniors with increasingly complex dementia care needs in Long Term Care homes;
- Waste collection services to new households;
- New water billing customers; and
- Additional police staffing for community safety.

The tax rate increase includes a 1.0% levy increase to support the long-term financial investment in the state-of-good-repair of Regional tax supported assets.

Changes in legislation, provincial subsidy, and the fluctuating economy will continue to influence budget increases over the next three years. Ontario Works benefit costs will be incrementally uploaded until 2018, at which time the Province will fund 100% of the mandatory benefit costs. Peel's tax rate will also benefit from the upload of some of the cost of Prisoner Transport and Court Security in Police Services in 2016 and continuing to 2018. The provincial needs-based funding model will continue to move towards 75/25 cost sharing for Public Health mandatory programs. Staff have projected that Peel's taxpayers can expect to see an average net levy tax increase of 2.7% over the next three years based on current Council directed service levels.

The 2017 Budget includes a utility rate increase of 4.3%. The utility rate increase includes a 3.5% increase to support the long-term financial investment in the state-of-good-repair of utility rate supported assets. The remainder of the increase includes the increase in the Ontario Clean Water Agency service contract, the maintenance of a newly implemented billing system, and other inflationary increases on materials, supplies, services, and labour. These pressures are partially offset by efficiencies achieved through maintenance contract savings, and increased recoveries from Region of York and City of Toronto to recover higher costs.

For the period 2018 to 2020, utility rates are forecasted to increase on average by 5.0% annually, including a 3.5% annual rate increase to support the state-of-good-repair of assets in the water and wastewater programs. Utility rates will continue to be influenced by commodity prices, consumption, and operating costs.

Conclusion

Balancing the needs of servicing a growing and changing community, while minimizing the impact to the tax and rate payer, is a high priority for the Region of Peel. The Long-Term Financial Planning Strategy continues to provide a robust framework which supports the financial flexibility and financial sustainability of the Region in the long term.

The Finance Department, working with our internal and external partners, will continue to play a key role in ensuring the Term of Council Priorities are achieved, while maintaining a strong financial position. The Region will continue its work on achieving its vision of **Community for Life**, by ensuring that: people's lives are improved in their time of need; communities are integrated, safe, and complete; and that Peel's government is future-oriented and accountable.



David Bingham, CPA, CMA

Treasurer and Director,
Corporate Finance

May 10, 2017



Community for Life

2016

Consolidated Financial Statements

The Regional Municipality of Peel, Ontario, Canada
for the year ended December 31, 2016

Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers of the Regional Municipality of Peel

We have audited the accompanying consolidated financial statements of the Regional Municipality of Peel, which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statements of operations, change in net financial assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Regional Municipality of Peel as at December 31, 2016 and the results of its operations, change in its net financial assets (debt), and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink that reads "Deloitte LLP". The word "Deloitte" is written in a cursive script, and "LLP" is written in a simpler, blocky font.

Chartered Professional Accountants
Licensed Public Accountants
April 27, 2017

The Regional Municipality of Peel Consolidated Statement of Financial Position

As at December 31, 2016 (All dollars in \$000)

	2016	2015
FINANCIAL ASSETS		
Cash and short-term investments (Note 2)	\$ 394,944	\$ 291,239
Accounts receivable		
Federal and provincial governments	44,686	28,199
Other municipalities	12,756	41,126
Wastewater and water billings	51,449	57,573
Accrued interest	8,074	8,449
Sundry	21,388	20,989
Long-term loans receivable (Note 3)	9,245	15,862
Long-term investments (Note 2)	1,780,861	1,589,777
Recoverable gross long-term debt from area municipalities (Note 7)	145,583	120,877
	2,468,986	2,174,091
LIABILITIES		
Accounts payable and accrued liabilities		
Trade accounts payable	329,956	320,125
Provincial government	199,473	188,256
Other municipalities	6,663	8,431
Deferred revenue (Note 4)	125,264	123,480
Landfill closure and post-closure liability (Note 5)	18,394	16,984
Employee future benefits and post-employment liabilities (Note 6)	104,174	97,813
Other liabilities	4,374	4,315
Long-term debt (Note 7)	1,474,347	1,341,784
Mortgages payable on income-producing properties (Note 7)	195,892	219,939
	2,458,537	2,321,127
NET FINANCIAL ASSETS (DEBT)	10,449	(147,036)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 11)	10,760,026	10,530,091
Prepaid expenses	24,499	23,898
Inventory	4,994	5,077
	\$ 10,789,519	\$ 10,559,066
ACCUMULATED SURPLUS (Note 8)	\$ 10,799,968	\$ 10,412,030

The accompanying notes are an integral part of these consolidated financial statements.

The Regional Municipality of Peel Consolidated Statement of Operations

For the year ended December 31, 2016 (All dollars in \$000)

	2016 Budget (Note 10)	2016	2015
REVENUES			
Levies on area municipalities	\$ 962,383	\$ 963,485	\$ 937,857
Direct charges on ratepayers	349,361	365,280	324,429
Contributions – other governments	599,772	612,012	619,687
Contributions – developers	195,653	311,057	281,936
Contributed capital assets	-	58,615	85,656
Investment income	51,021	56,046	61,280
Fees, service charges and other	150,082	166,884	161,184
Total revenues	2,308,272	2,533,379	2,472,029
EXPENSES (Note 12 and 15)			
General government	73,358	88,560	51,401
Protection to property and persons	456,449	453,327	435,846
Transportation services	127,214	121,950	132,966
GO Transit	-	18,291	17,303
Gas tax transferred to area municipalities	32,725	32,725	31,166
Environmental services	575,718	577,310	538,334
Health services	160,059	150,994	148,819
Social and family services	487,927	501,266	474,095
Social housing	198,625	176,503	183,913
Planning and development	7,068	6,496	5,694
Assessment/other	18,083	18,019	17,842
Total expenses	2,137,226	2,145,441	2,037,379
Annual surplus	171,046	387,938	434,650
Accumulated surplus, beginning of year	10,412,030	10,412,030	9,977,380
ACCUMULATED SURPLUS, END OF YEAR (Note 8)	\$ 10,583,076	\$ 10,799,968	\$ 10,412,030

The accompanying notes are an integral part of these consolidated financial statements.

The Regional Municipality of Peel

Consolidated Statement of Change in Net Financial Assets (Debt)

For the year ended December 31, 2016 (All dollars in \$000)

	2016 Budget (Note 10)	2016	2015
ANNUAL SURPLUS	\$ 171,046	\$ 387,938	\$ 434,650
Acquisition of tangible capital assets	(441,630)	(448,784)	(658,936)
Amortization of tangible capital assets	270,127	270,110	251,273
Contributed tangible capital assets	-	(58,615)	(85,656)
Write-down of tangible capital assets	-	2,407	7,936
Loss on sale of tangible capital assets	-	3,956	2,000
Proceeds on sale of tangible capital assets	-	991	1,787
	(458)	158,003	(46,946)
Acquisition of inventory	-	(11,127)	(10,150)
Acquisition of prepaid expenses	-	(78,121)	(59,406)
Consumption of inventory	-	11,210	10,334
Use of prepaid expenses	-	77,520	56,707
Change in net financial assets (debt)	\$ (458)	\$ 157,485	\$ (49,461)
Net debt, beginning of year	(147,036)	(147,036)	(97,575)
NET FINANCIAL ASSETS (DEBT), END OF YEAR	\$ (147,494)	\$ 10,449	\$ (147,036)

The accompanying notes are an integral part of these consolidated financial statements.

The Regional Municipality of Peel Consolidated Statement of Cash Flows

For the year ended December 31, 2016 (All dollars in \$000)

	2016	2015
OPERATING ACTIVITIES		
Annual surplus	\$ 387,938	\$ 434,650
Items not involving cash		
Amortization of tangible capital assets	270,110	251,273
Loss on sale of tangible capital assets	3,956	2,000
Contributed tangible capital assets	(58,615)	(85,656)
Write-down of tangible capital assets	2,407	7,936
Change in employee future benefits and post-employment liabilities	6,361	4,939
Change in landfill closure and post-closure liability	1,410	(6,501)
Change in non-cash assets and liabilities		
Accounts receivable	17,983	(7,036)
Recoverable gross long-term debt from area municipalities	9	(433)
Accounts payable and accrued liabilities	19,280	43,163
Deferred revenue	1,784	(13,079)
Other liabilities	59	(591)
Prepaid expenses	(601)	(2,699)
Inventory	83	184
Net change in cash and short-term investments from operating activities	652,164	628,150
CAPITAL ACTIVITIES		
Proceeds on sale of tangible capital assets	991	1,787
Cash used to acquire tangible capital assets	(448,784)	(658,936)
Net change in cash and short-term investments from capital activities	(447,793)	(657,149)
INVESTING ACTIVITIES		
Proceeds from disposals and redemptions of investments	218,888	309,230
Acquisition of investments	(409,972)	(150,805)
Decrease (Increase) in long-term loans receivable	6,617	(7,354)
Net change in cash and short-term investments from investing activities	(184,467)	151,071
FINANCING ACTIVITIES		
Proceeds on debt issuance	150,000	-
Repayment of long-term debt	(3,864)	(3,759)
Accrual for interest payments	(369)	382
Contributions to sinking fund	(32,986)	(32,969)
Investment income earned on sinking fund	(4,933)	(3,763)
Repayment of mortgages payable	(24,047)	(22,464)
Net change in cash and short-term investments from financing activities	83,801	(62,573)
Net change in cash and short-term investments	103,705	59,499
Cash and short-term investments, beginning of year	291,239	231,740
CASH AND SHORT-TERM INVESTMENTS, END OF YEAR	\$ 394,944	\$ 291,239
Cash paid for interest	\$ 93,037	\$ 71,777
Cash received from interest	49,598	51,890

The accompanying notes are an integral part of these consolidated financial statements.

The Regional Municipality of Peel

Notes to the Consolidated Financial Statements

For the year ended December 31, 2016 (All dollars in \$000)

The Regional Municipality of Peel ("Region") is an upper-tier municipality in the Province of Ontario ("Province"), Canada. The provisions of provincial statutes such as the *Municipal Act*, *Municipal Affairs Act* and related legislation guide its operations.

1. Significant Accounting Policies

The consolidated financial statements ("financial statements") of the Region are the representation of management and are prepared in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA Canada").

The focus of these financial statements is on the financial position of the Region and the changes thereto. The consolidated statement of financial position includes all the financial assets and liabilities of the Region as well as non-financial assets. Financial assets are those assets that could provide resources to discharge existing liabilities or finance future operations. Net financial assets (debt) forms a part of the financial position and is the difference between financial assets and liabilities. This provides information about the Region's overall future revenue requirements and its ability to finance activities and meet its obligations. Non-financial assets are normally used to deliver services. Their value lies with their service potential rather than their ability to generate future cash inflows. They form part of the financial position, as they provide resources that the Region can employ in the future to meet its objectives. The accumulated surplus is made up of the combination of net financial assets (debt) and non-financial assets.

Significant aspects of the accounting policies adopted by the Region are as follows:

a) Basis of Presentation

The financial statements reflect the financial activities of all entities that are accountable to and controlled by the Region, which include:

- Peel Police Services Board
- Peel Housing Corporation ("PHC")

All inter-departmental and inter-organizational transactions are eliminated on consolidation. Also included are the Regional contributions to the local conservation authorities, and the funding thereof. The Region is required, by legislation, to reimburse the Municipal Property Assessment Corporation for the cost of Assessment Services that are not administered or controlled by the Region.

Funds held in trust by the Region for residents of Peel Manor and Sheridan Villa Senior Citizens' Residences, the Tall Pines and Malton Village Long Term Care Centres, and the Vera M. Davis Community Care Centre in the amount of \$213 (2015 – \$191), are not included in the financial statements. The financial activity and position of the trust funds are reported separately in the trust funds financial statements.

The Region maintains separate funds for the purpose of providing for periodic repayments on debt to be retired by means of debt retirement funds and sinking funds. The financial activity and position of this fund are disclosed separately in the debt retirement funds and the sinking funds financial statements.

b) **Basis of Accounting**

i) **Accrual Method of Accounting**

The Region follows the accrual method of accounting. The accrual basis of accounting recognizes revenue in the period in which the transactions or events occurred that gave rise to the revenues. Expenses are the cost of goods or services acquired in the period, whether or not payment has been made or invoices received.

ii) **Cash and Short-term Investments**

Cash and short-term investments include short-term, highly liquid investments with a term to maturity of 90 days or less at acquisition.

iii) **Investment Income**

Investment income earned on surplus current fund, capital fund, reserves and reserve funds (other than obligatory reserve funds) are reported as revenue in the period earned. Investment income on unspent obligatory reserve funds is added to obligatory reserve fund balances.

Temporary investments are carried at the lower of cost and market value. Portfolio investments are carried at cost, unless there are impairments in value, at which time they are written down to recognize the loss in value. Discounts or premiums are amortized using the effective interest method.

iv) **Loans Receivable**

Loans receivable are valued at cost. Recoverability is reviewed annually and a valuation allowance is recorded when recoverability is impaired. The loans receivable is written off when it is no longer recoverable. Recoveries of loans receivable previously written off are recognized in the year received. Interest revenue is recognized as it is earned.

v) **Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

a. **Tangible Capital Assets**

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The Region does not have any tangible capital assets recognized at nominal value. The cost, less residual value, of tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

Assets	Useful life – years
Land improvements	5 – 99
Buildings	20 – 100
Building improvements	8 – 100
Leasehold improvements	2 – 40
Equipment and furnishings	3 – 80
Linear	15 – 90
Linear improvements	50
Structures	20 – 60
Vehicles	3

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is in service.

b. Contributions of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

c. Interest Capitalization

The Region capitalizes interest costs associated with the acquisition or construction of a tangible capital asset relating to certain projects. In 2016, the Region capitalized \$83 (2015 – \$79) of interest cost.

d. Natural Resources

Natural resources that have not been purchased are not recognized as assets in the financial statements.

vi) Deferred Revenue – Development Charges

Development charges, collected under the authority of Sections 33 to 35 of the *Development Charges Act, 1997*, are reported as deferred revenue in the consolidated statement of financial position in accordance with Canadian public sector accounting standards. Amounts applied to qualifying capital projects are recorded as revenue in the fiscal period in which the funds are expended on qualifying capital projects. Development charges will also be applied to cover costs for servicing debt including interest on borrowings and contributions to sinking funds to retire debt.

vii) Tax Revenue

Property tax revenue is recognized on an accrual basis when the tax is authorized by the passing of the tax levy by-law. Taxes are levied on properties listed on the assessment roll at the time the by-law is passed based on the approved budget and tax rates. Supplementary taxation is recognized as additional billings are issued for properties that are added to the assessment roll during the year.

At year-end, the Region evaluates the likelihood of having to repay taxes as a result of tax appeals or other changes and recognizes a liability if the amount can be reasonably estimated.

viii) Government Transfers

Government transfers are recognized in the financial statements in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made, and there are no stipulations that give rise to a liability.

ix) Employee Future Benefits and Post-Employment Liabilities

The Region accounts for its participation in the Ontario Municipal Employee Retirement System (“OMERS”), a multi-employer public sector pension fund, as a defined contribution plan.

Vacation entitlements are accrued for as entitlements are earned.

Sick leave benefits were discontinued in 1986 and the remaining balance from prior years were paid out in 2016.

Other post-employment benefits and compensated absences are accrued in accordance with the projected benefit method, pro-rated on service and management’s best estimate of salary escalation and retirement ages of employees. Actuarial valuations, where necessary for accounting purposes, are generally performed triennially. The discount rate used to determine the accrued benefit obligation was determined by reference to the Region’s short and long term rate of borrowing. Unamortized actuarial gains/losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups. Unamortized actuarial gains/losses for event-triggered liabilities, such as those determined as claims related to Workplace Safety and Insurance Board (“WSIB”), are recorded when determined.

Costs related to prior-period employee services arising out of plan amendments are recognized in the period in which the plan is amended.

Where applicable, the Region has set aside Reserves intended to fund these obligations, either in full or in part. These Reserves were created under municipal by-law and do not meet the definition of a plan asset under Canadian public sector accounting standard PS 3250 *Retirement Benefits*. Therefore, for the purposes of these financial statements, the plans are considered unfunded.

x) Landfill Liability

The costs to close an existing landfill site and to maintain closed landfill sites are based on the future estimated expenditures required over a twenty-five year period, discounted using the Region's long-term borrowing rate. These costs are reported as a liability on the consolidated statement of financial position. Landfill sites are amortized using the units of production method based upon capacity used during the year.

xi) Liability for Contaminated Sites

A liability for the remediation of a contaminated site is recognized as the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Region is either directly responsible or accepts responsibility, it is expected that the future economic benefit will be given up, and a reasonable estimate of the amount is determinable. If the likelihood of the Region's obligation to incur these costs is either not determinable, or if an amount cannot be reasonably estimated, the costs are disclosed as contingent liabilities in the notes to the financial statements.

xii) Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated at the prevailing rates of exchange at the year-end date. Revenue and expenses are translated at the exchange rate prevailing on the transaction date. Realized and unrealized exchange gains and losses are included in the consolidated statement of operations.

xiii) Use of Estimates

The preparation of these financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the period. Significant estimates relate to accounts receivable, accrued liabilities, landfill closure and post-closure liability, liabilities for contaminated sites, employee future benefits and post-employment liabilities and expenses. Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.

2. Investments

Cash and short-term investments have a market value of \$394,921 (2015 – \$291,356) at the end of the year. Long-term investments have a market value of \$1,834,026 (2015 – \$1,675,751), at the end of the year. Included in the Region's investment portfolio are Region of Peel debentures at coupon rates that vary from 1.10 to 6.65% (2015 – 1.30 to 6.65%) with a carrying value \$26,188 (2015 – \$17,585).

3. Long-Term Loans Receivable

The balance for long-term loans receivable includes the following:

- a) A 30-year memorandum of understanding at 5.196% with Credit Valley Conservation ("CVC") to be used to finance the renovation of their head office facility.
- b) A 20-year loan agreement at 5.12% with Abbeyfield Houses of Caledon ("Abbeyfield") to be used to finance the construction of affordable housing for senior citizens.

- c) An interest free subsidy agreement with Cervantes Lions Non-Profit Housing Corporation due on the day immediately following the fifteenth anniversary of the expiry of the housing provider's operating agreement with the Region.
- d) A loan to Shalimar International Housing Corporation; interest to be charged based on the prevailing capital market rate beginning September 1st, 2031; all principal and interest owing to be repaid by September 2nd, 2046.
- e) A loan to Ahneen Co-operative Homes; interest to be charged based on the prevailing capital market rate beginning February 1st, 2027; all principal and interest owing to be repaid by February 2nd, 2042.
- f) A loan to Forum Italia Non-Profit Housing Corporation; interest to be charged based on the prevailing capital market rate beginning July 2nd, 2025; all principal and interest owing to be repaid by July 2nd, 2040.
- g) A loan to Grace Retirement and Community Enterprises Inc.; interest to be charged based on the prevailing capital market rate beginning August 2nd, 2018; all principal and interest owing to be repaid by August 2nd, 2033.
- h) A bridge loan at 3.40% to Supportive Housing in Peel to facilitate the development of housing project pending receipt of provincial funding. This was repaid during the year.

	2016	2015
CVC – memorandum of understanding	\$ 6,079	\$ 6,193
Abbeyfield Houses of Caledon – loan agreement	232	243
Cervantes Lions Housing – subsidy agreement	302	381
Shalimar International Housing – loan agreement	778	673
Ahneen Co-operative Homes – loan agreement	678	520
Forum Italia Non-Profit Housing – loan agreement	883	706
Grace Retirement and Community Enterprises Inc – loan agreement	293	-
Supportive Housing in Peel – loan agreement	-	7,146
Total	\$ 9,245	\$ 15,862

- i) Future Repayments
Estimated future receipts of long-term receivables are as follows:

	Total
2017	\$ 133
2018	140
2019	148
2020	155
2021	164
Subsequent to 2021	8,505
Total	\$ 9,245

4. Deferred Revenue

Deferred revenues set-aside for specific purposes by legislation, regulation or agreement as at December 31, are composed of the following:

	Balance at December 31, 2015	Inflows	Revenue Earned	Balance at December 31, 2016
Development Charges	\$ -	\$ 311,057	\$ 311,057	\$ -
Federal Gas Tax	35,072	40,520	36,132	39,460
Provincial Gas Tax	75	662	660	77
General – Region	37,314	66,846	60,017	44,143
General – PHC	4,089	159	-	4,248
	76,550	108,187	96,809	87,928
York/Peel Water Supply Agreement	46,930	-	9,594	37,336
Total	\$ 123,480	\$ 419,244	\$ 417,460	\$ 125,264

In 2001, the Region entered into a Long Term Water Supply Agreement (“Agreement”) with the Region of York (“York”) to supply potable water. The Agreement stipulates a maximum day water demand in each year to be supplied to York. New infrastructure constructed and used jointly by both Regions since the inception of the Agreement, has been funded through agreed cost-sharing based on allocating the flow capacity available to the Region and York on a project by project basis.

In 2013, negotiations with York on the cost-share split for the Hanlan Feedermain resulted in a reduction to the maximum day water demand supplied to York. The reduction in flow requirement impacts the majority of infrastructure which forms part of this agreement. As such, a credit for the investment made by York to-date for this jointly used infrastructure was warranted. The credit in the amount of \$36,800 (2015 – \$46,900) will be used to fund York’s share of the construction costs of jointly used infrastructure in the future.

5. Landfill Closure and Post-Closure Liability

The Environmental Protection Act sets out regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites.

Landfill closure and post-closure care are activities for landfill sites that are expected to occur in perpetuity and requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of groundwater and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance.

The Region has one open and twenty closed landfill sites. The Caledon site is open but not currently being used and has an estimated remaining life of one year, which represents 5% of its total capacity. For the site that is still open, the estimated liability is recognized as the landfill site capacity is used. For closed sites, the estimated liability for these expenditures is calculated for a twenty-five year period.

The estimated liability of \$18,394 (2015 – \$16,984) included in the financial statements represents the sum of the discounted future cash flows for closure and post-closure care activities discounted at the Region’s long-term borrowing rate of 4.75% (2015 – 4.75%).

As at December 31, the Region maintained a reserve of \$17,759 (2015 – \$18,677), which will be used to fund expected future costs.

6. Employee Future Benefits and Post-Employment Liabilities

Employee future benefits and post-employment liabilities reported on the consolidated statement of financial position consist of the following:

	2016	2015
Retiree benefits Peel Police Services Board	\$ 63,598	\$ 59,313
Retiree benefits Peel Police Services Board (LTD recipients)	5,745	6,065
Retiree benefits Peel Region	8,330	8,013
Retiree benefits Peel Region (LTD recipients)	3,834	3,535
	81,507	76,926
Workplace Safety and Insurance Board	22,667	20,887
Total	\$ 104,174	\$ 97,813

a) Retirement Benefits

The liability for retirement benefits is for the Region’s and the Peel Police Services Board’s share of costs associated with extending the coverage for health, dental and life insurance benefits to qualifying employees. Benefit coverage, except for life insurance coverage, and health care spending account for Peel Police Services Board, ceases at the age of 65. The valuation treats enrolled members in receipt of long-term disability or WSIB benefits as continuing to receive active service benefits.

The liability is based on the actuarial valuations as at December 31 2014, with estimates to December 31, 2016.

The following significant actuarial assumptions adopted in the valuations were based on management’s best estimates.

• Future discount rates	4.85% per year for Police 4.75% per year for Region
• Future inflation rate	2.0% per year
• Future salaries	Escalate at 3.0% per year
• Future dental premium rates:	
- Peel Regional Police	Escalate at 3.5% per annum
- Region of Peel	Escalate at 4.0% per annum
• Future health care premium rates:	
- Peel Regional Police	Initial rate of 6.5% decreasing by 0.5% per year to the ultimate rate of 4.0%
- Region of Peel	Escalate at 4.0% per annum

The following are the actuarial results for the accrued benefit liability reported on the consolidated statement of financial position:

Retirement Benefits Liability

	2016	2015
Accrued benefit obligation at January 1	\$ 81,510	\$ 77,534
Add: benefit service cost	3,782	3,613
Add: interest accrued	3,940	3,745
Deduct: benefit payments	(3,482)	(3,382)
Accrued benefit obligation at December 31	85,750	81,510
Deduct: unamortized actuarial loss	(4,243)	(4,584)
Liability at December 31	\$ 81,507	\$ 76,926

Retirement Benefits Expense

	2016	2015
Current period benefit cost	\$ 3,782	\$ 3,613
Interest on accrued benefit obligation	3,940	3,745
Amortization of actuarial losses	341	341
Total	\$ 8,063	\$ 7,699

The actuarial loss is the result of assumptions used in the above noted valuations that varied from assumptions used in prior valuations. These assumptions pertained to the distribution of covered employees, discount rate, escalation of health care rates, projected mortality rates and benefit coverage. The actuarial loss will be amortized over the expected average remaining service life of employees.

b) Workplace Safety and Insurance Board (WSIB)

The Region is a Schedule II employer under the *Workplace Safety and Insurance Act*, and therefore, self-insures the entire risk of their own WSIB claims and is responsible for reimbursing the WSIB for all costs relating to its workers' claims.

The liability reported in the consolidated statement of financial position is the result of a 2014 actuarial update that estimated potential liabilities of the Region under the provisions of the *Workplace Safety and Insurance Act*. The last full actuarial evaluation for the Region was completed as at December 31, 2014.

The liability also includes the results of a partial actuarial evaluation that was completed as at December 31, 2016 due to the enactment of the *Supporting Ontario's First Responders Act*, which creates a presumption that post-traumatic stress disorder diagnosed in first responders is work-related. The presumption allows for faster access to WSIB benefits, resources and timely treatment.

The results of the actuarial valuations are as follows:

WSIB Liability

	2016		2015
Accrued benefit obligation at January 1	\$ 20,757	\$	20,156
Add: plan amendment	257		-
Add: estimated cost of claims (service cost)	4,546		2,666
Add: interest accrued	906		851
Deduct: expected benefits paid	(3,950)		(2,916)
Accrued benefit obligation at December 31	22,516		20,757
Add: unamortized actuarial gain	151		130
Liability at December 31	\$ 22,667	\$	20,887

WSIB Benefits Expense

	2016		2015
Current period benefit cost	\$ 4,546	\$	2,666
Plan amendment	257		-
Interest on accrued benefit obligation	906		851
Amortization of actuarial gain	22		22
Total	\$ 5,731	\$	3,539

7. Long-Term Debt

Under the terms of the *Municipal Act, 2001*, Regional Council has approved the issuing of debentures to finance its own capital expenses and tangible capital assets, and those of the area municipalities within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing. Debentures issued for such purposes are direct, joint and several obligations of the Region and local municipalities.

In 2016, the Region issued \$190,684 (2015 – \$40,000) in debenture debt, of which \$37,584 (2015 – \$40,000) was on behalf of the City of Mississauga, \$3,100 (2015 – \$Nil) was on behalf of the Town of Caledon and \$150,000 (2015 – \$Nil) was attributed to ensuring the sustainability of its capital program and to provide appropriate levels of cash flow for the expansion of utility infrastructure required to accommodate growth. Long-term debt financing of the growth-related capital plan was necessary due to a difference in timing between investment in infrastructure and collection of development charge revenue. The repayment of the debentures will be financed by development charges projected to be collected over the useful lives of the assets included in the capital plan.

a) **Net Long-Term Debt**

The total for long-term liabilities reported in the consolidated statement of financial position consists of the following:

	2016	2015
Total long-term liabilities incurred by the Region including amounts incurred on behalf of area municipalities	\$ 1,636,320	\$ 1,465,838
Less: Total value of Region's sinking fund deposits	(161,319)	(123,518)
Less: Value of Town of Caledon sinking fund assumed by the Region	(654)	(536)
Total long-term liabilities	1,474,347	1,341,784
Mortgages payable by Peel Housing Corporation	195,892	218,939
Note payable by Peel Housing Corporation	-	1,000
Total mortgages payable on income-producing properties	195,892	219,939
Recoverable from lower-tiers		
City of Mississauga	134,447	110,785
Town of Caledon	16,084	15,040
Less: Town of Caledon debt assumed by Region	(4,948)	(4,948)
Total recoverable gross long-term debt from area municipalities	145,583	120,877
Net Long-Term Debt at December 31	\$ 1,524,656	\$ 1,440,846

Serial debt and sinking fund debentures issued by the Region mature between June 2017 and June 2053 and have interest rates ranging between 1.10% and 6.65%.

Mortgages of \$195,892 (2015 – \$218,939) on PHC properties are secured by a first charge on specific assets of PHC with amortization periods ranging from 5 to 50 years and interest rates ranging from 1.04% to 8.0%.

The note payable in the amount of \$1,000 due to the tenants association of Twin Pines (PHC), which was contributed by its members, was repaid during the year.

Sinking funds were established to provide for the orderly retirement of sinking fund debentures issued by the Region totaling \$1,433,000 (2015 – \$1,283,000). These debentures mature between December 2021 and June 2053.

b) **Future Principal Repayments**

Estimated future principal repayments for the Region, including sinking fund contributions and PHC, are as follows:

	Peel Housing Corporation	Region of Peel	Total
2017	\$ 22,173	\$ 50,632	\$ 72,805
2018	21,105	50,712	71,817
2019	19,142	50,829	69,971
2020	18,383	50,951	69,334
2021	18,576	161,265	179,841
Subsequent to 2021	96,513	543,459	639,972
Net sinking fund debt repayable	-	420,916	420,916
Total	\$ 195,892	\$ 1,328,764	\$ 1,524,656

Total interest charges in the amount of \$67,630 (2015 – \$68,329) are reported in the consolidated statement of operations. The charges consist of \$8,110 (2015 – \$9,246) for interest on PHC mortgages and \$59,520 (2015 – \$59,083) for debenture debt.

8. Accumulated Surplus

The Accumulated Surplus consists of the following balances:

Accumulated Surplus	2016	2015
Investment in tangible capital assets and social housing	\$ 10,556,696	\$ 10,305,275
Reserves and reserve funds	1,726,090	1,613,042
Capital fund	(1,424,953)	(1,446,480)
Current fund	12,226	7,183
Less: unfunded liabilities		
Retiree benefits:		
– Peel Police Services Board	(32,968)	(31,336)
– Region of Peel	(5,843)	(5,843)
Workplace Safety and Insurance Board	(8,512)	(8,512)
Landfill closure costs	(18,394)	(16,984)
Other	(4,374)	(4,315)
Total Surplus	\$ 10,799,968	\$ 10,412,030

a) Accumulated Surplus

The Region has a surplus management strategy that permits year-end transfers to and from reserves to manage the level of surplus carried forward into the next fiscal year. Such transfers are made to ensure that future commitments of the Region can be met and are based on management's planning of infrastructure replacement, property tax rate and user rate stabilization, potential exposure to program funding shortfalls and contingent liabilities. The allocation of these transfers and their purpose is disclosed annually to Regional Council following completion of the year-end audit. The financial statements include the transfers made to reserves under the surplus management strategy.

b) Reserves and Reserve Funds

Reserves and reserve funds are established by Regional Council as appropriate, and are included in the accumulated surplus position of the Region.

9. Pension Agreements

The Region makes contributions to OMERS on behalf of approximately 7,886 eligible employees. OMERS is a defined benefit pension plan, fully funded by equal contributions from participating employers and employees, and by the investment earnings of the OMERS Fund. OMERS pensions are calculated using a defined benefit formula, taking into account length of service and average annual wage (based upon the highest 60 consecutive months of earnings), that is designed to integrate with the pension payable from the Canada Pension Plan.

During the year, the Region's contribution to OMERS for current service was \$63,602 (2015 – \$62,133). The Region's contributions are reported in the consolidated statement of operations. Employee contributions also amount to \$63,602 (2015 – \$62,133).

For the December 31, 2016 year-end, the funded portion of the OMERS pension plan increased to 93.4% (2015 – 91.5%). Pension plan assets increased to \$85,200,000 (2015 – \$77,000,000) primarily due to strong investment returns.

10. Budget Data

The budget amounts presented in the consolidated financial statements are based on the 2016 operating and capital budgets approved by Regional Council on December 3, 2015. The following reconciles the approved budget to the budget amounts presented in the consolidated financial statements using the accrual basis of accounting, in accordance with Canadian public sector accounting standards. Budgets established for tangible capital asset acquisitions are on a project-oriented basis, the costs of which may be carried over one or more fiscal years. Where amounts were budgeted for on a project-oriented basis, the budget amounts used are based on actual projects that took place during the year to reflect the same basis of accounting that was used to report the actual results.

	Revenues	Expenses
Operating Budget		
Council Approved Budget	\$ 2,142,242	\$ 2,142,242
In-year budget adjustments	4,560	4,560
Board Approved Peel Housing Corporation	98,037	98,037
Adjustment for intercompany transactions	(49,226)	(49,226)
PSAB Adjustments		
Contributions to reserves/reserve funds	-	(366,535)
Contributions from reserves/reserve funds	(62,095)	-
Payment to sinking fund for debt retirement	-	(36,799)
Other liabilities	-	3,101
Other adjustments	(13,979)	(13,979)
Adjusted Operating Budget	2,119,539	1,781,401
Capital Budget		
Council Approved Budget	483,000	483,000
Timing difference between budget and spending	78,088	78,088
Board Approved Peel Housing Corporation	14,500	14,500
Timing difference between budget and spending	1,334	1,334
PSAB Adjustments		
Contributions from reserves/reserve funds	(435,924)	-
Acquisition of tangible capital assets	-	(467,615)
Amortization	-	246,519
Adjusted Capital Budget	140,997	355,826
Other		
Reserve fund interest and other revenue	47,736	-
Budget as presented in Financial Statements	\$ 2,308,272	\$ 2,137,226

11. Tangible Capital Assets

2016

(All dollars in \$000)

Cost	Balance at December 31, 2015	Additions	Disposals & Write-downs	Balance at December 31, 2016
Land	\$ 1,136,196	\$ 13,583	\$ -	\$ 1,149,779
Land improvements	39,003	-	-	39,003
Buildings and building improvements	2,289,744	26,499	-	2,316,243
Leasehold improvements	23,584	76	(139)	23,521
Linear and linear improvements	7,423,984	355,296	-	7,779,280
Structures	227,189	2,696	-	229,885
Vehicles	80,197	10,139	(6,478)	83,858
Equipment and furnishings	1,889,540	106,104	(12,228)	1,983,416
Construction work in progress	831,055	(6,994)	(2,407)	821,654
Total cost	\$ 13,940,492	\$ 507,399	\$ (21,252)	\$ 14,426,639

Accumulated Amortization	Balance at December 31, 2015	Disposals	Amortization	Balance at December 31, 2016
Land improvements	\$ 14,031	\$ -	\$ 1,227	\$ 15,258
Buildings and building improvements	588,540	-	43,807	632,347
Leasehold improvements	10,381	(140)	1,008	11,249
Linear and linear improvements	2,016,936	-	133,019	2,149,955
Structures	90,297	-	5,565	95,862
Vehicles	43,730	(5,282)	8,271	46,719
Equipment and furnishings	646,486	(8,476)	77,213	715,223
Total accumulated amortization	\$ 3,410,401	\$ (13,898)	\$ 270,110	\$ 3,666,613

Net Book Value	Net Book Value December 31, 2016
Land	\$ 1,149,779
Land improvements	23,745
Buildings and building improvements	1,683,896
Leasehold improvements	12,272
Linear and linear improvements	5,629,325
Structures	134,023
Vehicles	37,139
Equipment and furnishings	1,268,193
Construction work in progress	821,654
Total net book value	\$ 10,760,026

11. Tangible Capital Assets (Continued)

2015

(All dollars in \$000)

Cost	Balance at December 31, 2014	Additions	Disposals & Write-downs	Balance at December 31, 2015
Land	\$ 1,118,798	\$ 19,578	\$ (2,180)	\$ 1,136,196
Land improvements	39,003	-	-	39,003
Buildings and building improvements	2,236,524	53,220	-	2,289,744
Leasehold improvements	23,028	759	(203)	23,584
Linear and linear improvements	6,914,542	509,632	(190)	7,423,984
Structures	201,525	25,664	-	227,189
Vehicles	77,813	10,852	(8,468)	80,197
Equipment and furnishings	1,825,428	68,526	(4,414)	1,889,540
Construction work in progress	782,133	56,361	(7,439)	831,055
Total cost	\$ 13,218,794	\$ 744,592	\$ (22,894)	\$ 13,940,492

Accumulated Amortization	Balance at December 31, 2014	Disposals	Amortization	Balance at December 31, 2015
Land improvements	\$ 12,791	\$ -	\$ 1,240	\$ 14,031
Buildings and building improvements	545,548	-	42,992	588,540
Leasehold improvements	9,601	(203)	983	10,381
Linear and linear improvements	1,892,752	-	124,184	2,016,936
Structures	85,018	-	5,279	90,297
Vehicles	42,206	(6,964)	8,488	43,730
Equipment and furnishings	582,383	(4,004)	68,107	646,486
Total accumulated amortization	\$ 3,170,299	\$ (11,171)	\$ 251,273	\$ 3,410,401

Net Book Value	Net Book Value December 31, 2015
Land	\$ 1,136,196
Land improvements	24,972
Buildings and building improvements	1,701,204
Leasehold improvements	13,203
Linear and linear improvements	5,407,048
Structures	136,892
Vehicles	36,467
Equipment and furnishings	1,243,054
Construction work in progress	831,055
Total net book value	\$ 10,530,091

a) **Construction in Progress**

Assets under construction having a value of \$821,654 (2015 – \$831,055) have not been amortized. Amortization of these assets will commence when the asset is put into service.

b) **Contributed Tangible Capital Assets**

Contributed tangible capital assets transferred to the Region in 2016 amounted to \$58,615 (2015 – \$85,656). The majority of tangible capital assets transferred were from developers and included water and wastewater local mains as well as land.

c) **Works of Art and Cultural Assets**

The Region manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at Region sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

d) **Write Downs**

The write-down of tangible capital assets during the year was \$2,407 (2015 – \$7,936) in the consolidated statement of operations.

12. Expenses by Object

The consolidated statement of operations reports expenses for the Region by functions or by business programs. The following is a summary of expenses by object.

	2016	2015
Salary and wages	\$ 787,982	\$ 756,905
Services and rents	345,272	317,659
Materials and supplies	86,835	83,753
Grants and transfer payments	492,626	469,404
Debt charges	67,630	68,328
Intra government transfers	(40,456)	(40,603)
Amortization	270,110	251,273
Other operational expenses	135,442	130,660
Total	\$ 2,145,441	\$ 2,037,379

13. Contractual Obligations and Contingent Liabilities

- a) As at December 31, 2016 outstanding contractual obligations for capital works amounted to approximately \$369,628 (2015 – \$516,002). Regional Council has authorized the financing of these obligations.
- b) As at December 31, 2016 the Region has been named as defendant or co-defendant in a number of outstanding legal actions. No provision has been made for any claims that are expected to be covered by insurance or where the consequences are undeterminable. A provision of \$9,868 (2015 – \$9,430) has been made for those claims not expected to be covered by insurance.

c) Under the terms of various operating lease agreements, future minimum payments are as follows:

2017	\$	2,866
2018		1,674
2019		734
2020		493
2021		349
Subsequent to 2021		2,570
Total	\$	8,686

- d) Under a 10-year service agreement, effective January 1, 2010, the Region has contracted the operations of the South Peel wastewater and water treatment systems to the Ontario Clean Water Agency ("OCWA"). Included in the consolidated statement of operations are the 2016 charges from OCWA totaling \$35,796 (2015 – \$33,578). The consolidated statement of financial position reflects only the capital assets of the wastewater and water treatment facilities and the service charges due to or from OCWA.
- e) The Peel Regional Police provide policing services to the Greater Toronto Airports Authority ("GTAA"). Under a service agreement, the GTAA provides funding to fully offset any costs incurred by the Peel Regional Police. In 2016, the Peel Regional Police received \$15,566 (2015 – \$17,577) from the GTAA.
- f) Under contracts approved by the Region in 2005 with amendments in 2012 and 2016, a private waste management corporation will provide waste disposal capacity at current market rates (additional 26 years as at December 31, 2016) and waste transfer services to the Region. The annual estimated expenditure is \$14,400.
- g) Under separate contracts approved by the Region in 2014, two private waste management companies provide services including, but not limited to: bi-weekly, alternating garbage cart and recycling cart collection, bi-weekly bulky item collection, weekly organics cart collection, seasonal yard waste collection, garbage exemption collection periods, and manual (bag based) garbage, recycling and organics bin collection at specified locations. Each contract term is for an eight year plus nine month period which began on January 2016, with two additional, separate twelve month period extension options, based on satisfactory service, performance and pricing. The total of the two contracts is \$40,500.
- h) The Region has issued letters of credit for \$12,207 (2015 – \$4,759) in order to meet the credit requirements and conditions of certain agreements related to capital projects.
- i) The Region has also identified a contaminated site on a piece of land downloaded from the federal government. The Region is currently working with the federal government to determine who accepts responsibility for the remediation of this site and has therefore not recognized a liability for this site in the consolidated statement of financial position.

14. Liability for Contaminated Sites

The Region has recorded a liability of \$Nil (2015 – \$63) in accounts payable and accrued liabilities for a Regionally owned site which contained elevated levels of elements in the soil. The liability estimate for the site identified was based on the environmental assessment conducted by a third party engineering firm and cost of possible remediation alternatives and was settled in 2016. There were no recoveries received in 2016 or 2015.

15. Comparative Figures

Certain prior year figures have been reclassified to conform to the financial statement presentation adopted in the current year.

16. Municipal Act, 2001

Since the introduction of Current Value Assessment (“CVA”) taxation in 1998, provincial legislation mandates a limit to assessment-related tax increases for the commercial, industrial and multi-residential classes. The purpose of this limit is to ensure that the impact of CVA reform is manageable for taxpayers in these three property classes. These assessment-related tax adjustments are capped using a number of Council-adopted parameters which include the optional capping tools and recently introduced capping program enhancements. Adoption of the capping parameters is designed to maximize the number of properties moving to full CVA-based taxation with the new capping enhancements providing a four-year phase-out and/or immediate exit from the capping program for an eligible municipality. The legislation permits the costs of capping to be funded by limiting the property tax decreases within the subject property class.

While the local municipalities have the jurisdiction responsibility for managing the tax collection system, the Region is responsible for acting as the “banker” in order to balance out the overall impact of the capping initiative on a broader Regional basis. Implementation may cause some year-to-year variances. Such post billing capping variances are written-off at the local municipal level and funded between the Region, the local municipality and the school board based on the tax rate prorated shares of the write-offs.

17. Segmented Information

The Region of Peel is a diversified municipal government institution providing a wide range of services to its residents that include General Government, Protection to Property and Persons, Transportation, Environmental, Health and Social and Family Services. The Region also controls and administers Peel Housing Corporation, a non-profit housing company.

For management reporting purposes the Region’s operations and activities are reported by Program Services. Program Services were created for the purpose of recording specific activities to attain certain objectives in accordance with regulations, restrictions or limitations. Regional services are provided by divisions and their activities are reported in the Program Services.

Divisions disclosed in the Segmented Information, along with the services they provide are as follows:

General Government

General government comprises divisions under Finance, Corporate Services and the Executive Office, Council and Service Innovation Information & Technology. The divisions provide direct support to the various citizen-facing Regional services, as well as Council and Committee. These divisions also supply financial and administrative leadership for the Regional Corporation.

Also included are corporate expenses and revenues that are not directly attributable to any individual service, but do impact the overall tax requirement.

Protection to Property and Persons

Protection to property and persons consists of Police Services and the conservation authorities. Police Services partners with the community to maintain social order and contribute to a safe environment in which to live, work and visit. Funding is provided to support the operating costs, special projects and land purchases for three conservation authorities in the Region.

Transportation Services

Transportation services is responsible for Roads and TransHelp services. The mandate of the Roads division is to provide safe, reliable and secure roads while respecting the environment. TransHelp provides transit services to Peel residents unable to utilize conventional modes of public transportation.

GO Transit

GO Transit includes the Region's apportionment of capital costs billed by GO Transit.

Gas Tax Transferred to Local Municipalities

This segment includes the Federal Gas Tax Revenue that is transferred to local municipalities.

Environmental Services

Environmental services is responsible for Water, Wastewater and Waste Management Services. The Water Program sustainably delivers high quality drinking water, and the related support services, in an efficient and reliable manner. The mandate of Wastewater is to manage, collect and treat municipal wastewater. Waste Management provides environmentally sustainable waste management services to residents and small businesses while maximizing recovery of valuable resources.

Health Services

Health services includes Public Health and Paramedic Services. Public Health is mandated by the *Ontario Health Protection and Promotion Act* and other legislation. Public Health provides programs and services in six key areas: communicable disease control and prevention, clinical services, enforcement, youth and adult illness prevention, early childhood development and health surveillance. The mandate of Paramedic Services is to decrease suffering and improve and promote community safety.

Social and Family Services

Children's services plans, manages and coordinates a Region-wide early learning and child care system. Long Term Care operates five long-term care facilities for seniors. Ontario Works delivers a range of programs providing employment and financial assistance to residents in need.

Social Housing

Social housing is responsible for administering social housing providers, the rent supplement programs and managing a social housing waiting list.

Peel Housing Corporation is a non-profit housing company providing over 16,000 residents with affordable rental units.

Planning and Development

Regional planning provides planning policy and research and development planning services that respond to the growth and change experienced in Peel.

Assessment Services

Assessment Services is the funding to the Municipal Property Assessment Corporation, which administers province-wide property assessment services for municipalities.

Segmented Information

For the year ended December 31, 2016 (All dollars in \$000)

	General Government		Protection to Property & Persons		Transportation Services		GO Transit		Gas Tax Transferred To Area Municipalities	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
OPERATIONS REVENUE										
Levies on area municipalities	963,485	937,857	-	-	-	-	-	-	-	-
Direct charges on ratepayers	-	-	-	-	-	-	-	-	-	-
Contributions - other governments	14,556	14,070	14,887	14,270	6,831	6,622	-	-	32,724	31,167
Contributions - developers	398	285	3,883	4,175	34,273	57,501	-	-	-	-
Contributed capital assets	-	-	-	-	9,904	2,616	-	-	-	-
Investment income	12,356	13,462	4,832	5,023	5,637	5,847	-	-	-	-
Fees and service charges	29,607	23,909	24,263	28,148	10,590	7,991	-	-	-	-
	1,020,402	989,583	47,865	51,616	67,235	80,577	-	-	32,724	31,167
EXPENSES										
Salaries and wages	68,380	62,956	362,187	350,850	40,596	38,923	-	-	-	-
Services and rents	41,316	23,070	28,879	28,291	24,513	22,434	-	-	-	-
Materials and supplies	3,785	3,463	10,412	10,236	4,989	8,207	-	-	-	-
Grants and transfer payments	23,667	21,761	41,809	39,313	(7)	607	-	-	32,725	31,166
Debt charges	3,044	2,500	-	-	648	664	-	-	-	-
Intra government transfers	(88,995)	(83,245)	(14,430)	(14,616)	(23,710)	(24,207)	-	-	-	-
Amortization	18,006	15,262	11,893	11,144	54,059	50,238	-	-	-	-
Other operating expenses	19,357	5,634	12,577	10,628	20,861	36,100	18,291	17,303	-	-
	88,560	51,401	453,327	435,846	121,950	132,966	18,291	17,303	32,725	31,166
ANNUAL SURPLUS (DEFICIT)	931,842	938,182	(405,462)	(384,230)	(54,715)	(52,389)	(18,291)	(17,303)	(1)	1

Environmental Services		Health Services		Social & Family Services		Social Housing		Planning & Development		Assessment Services		Total	
2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
-	-	-	-	-	-	-	-	-	-	-	-	963,485	937,857
365,280	324,429	-	-	-	-	-	-	-	-	-	-	365,280	324,429
39,079	65,300	86,802	86,222	379,928	345,760	37,206	56,275	-	-	-	-	612,012	619,687
271,159	215,943	893	634	-	-	451	3,398	-	-	-	-	311,057	281,936
47,696	82,152	-	-	-	-	1,015	888	-	-	-	-	58,615	85,656
23,070	27,955	1,665	2,232	2,024	2,195	6,215	4,312	-	-	247	254	56,046	61,280
22,840	20,211	951	1,264	17,787	17,006	59,999	62,197	844	458	3	-	166,884	161,184
769,124	735,990	90,311	90,352	399,739	364,961	104,886	127,070	844	458	250	254	2,533,379	2,472,029
53,515	51,613	116,582	114,097	130,304	123,149	8,437	8,322	7,981	6,995	-	-	787,982	756,905
150,619	143,129	11,349	13,980	11,302	11,728	58,629	56,671	646	514	18,019	17,842	345,272	317,659
54,455	49,821	6,128	4,953	7,023	7,042	25	6	18	25	-	-	86,835	83,753
-	-	577	387	329,440	310,575	64,385	65,565	30	30	-	-	492,626	469,404
55,065	54,569	-	-	-	0	8,873	10,595	-	-	-	-	67,630	68,328
55,295	52,503	11,852	10,785	16,233	14,723	5,511	5,354	(2,212)	(1,900)	-	-	(40,456)	(40,603)
163,904	153,040	3,947	3,504	3,644	3,644	14,639	14,423	18	18	-	-	270,110	251,273
44,458	33,659	559	1,113	3,320	3,234	16,004	22,977	15	12	-	-	135,442	130,660
577,310	538,334	150,994	148,819	501,266	474,095	176,503	183,913	6,496	5,694	18,019	17,842	2,145,441	2,037,379
191,814	197,656	(60,683)	(58,467)	(101,527)	(109,134)	(71,617)	(56,843)	(5,652)	(5,236)	(17,769)	(17,588)	387,938	434,650



Community for Life

2016

Debt Retirement and Sinking Funds Financial Statements

The Regional Municipality of Peel, Ontario, Canada
for the year ended December 31, 2016

Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers of the Regional Municipality of Peel

We have audited the accompanying financial statements of the Debt Retirement and Sinking Funds of the Regional Municipality of Peel, which comprise the statement of financial position as at December 31, 2016, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Debt Retirement and Sinking Funds of the Regional Municipality of Peel as at December 31, 2016, and the results of its operations, change in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink that reads "Deloitte LLP". The word "Deloitte" is written in a cursive script, and "LLP" is written in a simpler, blocky font.

Chartered Professional Accountants
Licensed Public Accountants
April 27, 2017

The Regional Municipality of Peel Debt Retirement and Sinking Funds Statement of Financial Position

As at December 31, 2016 (All dollars in \$000)

	2016	2015
FINANCIAL ASSETS		
Cash	\$ 27,097	\$ 69,734
Accrued interest	246	220
Long-term investments (Note 8) (Fair value 2016 – \$135,245; 2015 – \$61,804)	135,178	57,188
TOTAL FINANCIAL ASSETS	162,521	127,142
LIABILITY		
Actuarial requirements for retirement of sinking fund debt (Note 2d)	159,901	122,590
NET FINANCIAL ASSETS	2,620	4,552
ASSET ALLOCATION		
Region of Peel	161,921	124,011
Town of Caledon	600	3,131
	\$ 162,521	\$ 127,142
ASSET ALLOCATION		
Debt retirement fund	413	2,981
Sinking fund	162,108	124,161
	\$ 162,521	\$ 127,142

The accompanying notes are an integral part of these financial statements.

The Regional Municipality of Peel Debt Retirement and Sinking Funds Statement of Operations

For the year ended December 31, 2016 (All dollars in \$000)

	2016	2015
REVENUE		
Contributions (Note 5)	\$ 33,011	\$ 32,995
Investment income	5,013	3,924
TOTAL REVENUE	38,024	36,919
EXPENSES		
Provision for actuarial requirements	37,311	36,162
Payment of principal from debt retirement fund	2,046	1,921
Payment of interest from debt retirement fund	599	727
TOTAL EXPENSES	39,956	38,810
EXCESS OF EXPENSES OVER REVENUE FOR THE YEAR	\$ (1,932)	(1,891)

The accompanying notes are an integral part of these financial statements.

The Regional Municipality of Peel Debt Retirement and Sinking Funds Statement of Cash Flows

For the year ended December 31, 2016 (All dollars in \$000)

	2016	2015
OPERATING ACTIVITIES		
Excess of expenses over revenue	\$ (1,932)	\$ (1,891)
Change in non-cash assets and liabilities		
Accrued interest	(26)	(65)
Increase in actuarial requirements	37,311	36,162
NET CHANGE IN CASH FROM OPERATING ACTIVITIES	35,353	34,206
INVESTING ACTIVITIES		
Acquisition of investments	(77,990)	(4,619)
NET CHANGE IN CASH FROM INVESTING ACTIVITIES	(77,990)	(4,619)
Net change in cash	(42,637)	29,587
Cash, beginning of year	69,734	40,147
CASH, END OF YEAR	\$ 27,097	\$ 69,734

The accompanying notes are an integral part of these financial statements.

The Regional Municipality of Peel Debt Retirement and Sinking Funds Statement of Change in Net Financial Assets

For the year ended December 31, 2016 (All dollars in \$000)

	2016	2015
Excess of expenses over revenue for the year	\$ (1,932)	\$ (1,891)
Net financial assets, beginning of year	4,552	6,443
NET FINANCIAL ASSETS, END OF YEAR	\$ 2,620	\$ 4,552

The accompanying notes are an integral part of these financial statements.

The Regional Municipality of Peel Debt Retirement and Sinking Funds Notes to the Financial Statements

For the year ended December 31, 2016 (All dollars in \$000)

1. Purpose of Funds

The Region of Peel Debt Retirement Fund is a separate fund maintained for the purpose of providing periodic repayments of debt associated with Debenture Series "AD" assumed by the Town of Caledon to be retired by means of debt retirement funds on hand with the Region and further contributions from the Town of Caledon.

The Region of Peel Sinking Fund is a separate fund maintained for the purpose of providing periodic repayments for debt to be retired by means of sinking funds.

2. Summary of Significant Accounting Policies

These financial statements are the representation of management and are prepared in accordance Canadian public sector accounting standards, as recommended by Public Sector Accounting Board ("PSAB") of Chartered Professional Accountants of Canada ("CPA Canada"). The significant accounting policies are summarized below:

(a) Basis of Accounting

The Region of Peel Debt Retirement and Sinking Funds follow the accrual method of accounting for revenues and expenses.

(b) Revenue Recognition

Contributions are recognized in the year receivable. Investment income is recognized as revenue when earned.

(c) Investments

Investments are recorded at amortized cost. Discounts on zero-coupon bonds are amortized on a compound interest basis over the term of the investment. The discounts or premiums on any coupon-bearing investment are amortized on a straight-line basis over the term of the investment.

Investment purchases are accounted for on the settlement date. There are no transaction costs incurred in the purchase of investments.

(d) Provision for Actuarial Requirements

The provision for actuarial requirements for the Sinking Fund represents the amounts required which, together with interest compounded annually, will be sufficient to retire the related debt at maturity, based on contributions to the Sinking Fund to date. The actuarial requirements were calculated using a rate of 4% per annum on debt issued in 2010 and 2.5%, 3.25% or 4% per annum on debt issued in 2011 and thereafter. The excess or deficiency of financial assets over these requirements is included in the fund balance.

3. Allocation of Series DQ Debenture Repayment

The Town of Caledon continues to pay \$433 in Series DQ debt that was spent on projects unrelated to the arterial road transferred to the Region of Peel in 2014. The interest expense and sinking fund payments related to that portion of debt will be paid annually by the Town of Caledon to the Region of Peel.

4. Allocation of Surplus

In 2016, there was no surplus declared payable to the Regional Municipality of Peel by the Debt Retirement and Sinking Fund Committee (2015 – \$nil).

The following is the apportionment of the sinking fund balance.

Sinking Fund Surplus / (Deficit)

	2016 Total	2015 Total	Town of Caledon	Region of Peel
	\$	\$	%	%
Series DQ	216	266	0.09	99.91
Series EB	724	559	0.32	99.68
Series EC	1,213	761	-	100
Series EP	(9)	(2)	-	100
Series EQ	63	(13)	-	100
	2,207	1,571	-	-

5. Contributions

In 2016, there were no contributions made to the Debt Retirement Fund (2015 – \$nil). Contributions to the Sinking Fund were \$33,011 (2015 – \$32,995).

6. Financial Instruments

The Debt Retirement Fund and Sinking Funds are subject to market risk and interest rate price risk with respect to the investment portfolio.

7. Principal Repayment

Annual principal repayments issued on behalf of the Town of Caledon over the next three years and thereafter are due as follows:

	\$
2017	2,179
2018	2,320
2019	2,473
2020 and thereafter	1,074
Total	8,046

8. Investment Portfolio

Long-term investments consist of provincial, municipal and bank bonds bearing yield rates from 2.11 to 4.50% and coupon rates from 3.05 to 5.20% maturing from August 2021 to January 2053.

9. Excess Over Actuarial Requirements

	2016	2015
Consists of:	\$	\$
Debt Retirement Fund	413	2,981
Sinking Fund	2,207	1,571
Total	2,620	4,552

Community for Life

2016

Trust Funds Financial Statements

The Regional Municipality of Peel, Ontario, Canada
for the year ended December 31, 2016

Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers of the Regional Municipality of Peel

We have audited the accompanying financial statements of the trust funds of the Regional Municipality of Peel, which comprise the statement of financial position as at December 31, 2016, and the statements of financial activities and fund balance and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the trust funds of the Regional Municipality of Peel as at December 31, 2016, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
April 27, 2017

The Regional Municipality of Peel Trust Funds Statement of Financial Position

As at December 31, 2016 (All dollars in \$000)

	2016	2015
FINANCIAL ASSET		
Cash	\$ 213	\$ 191
FUND BALANCE		
Residents' equity	\$ 213	\$ 191

The Regional Municipality of Peel Trust Funds Statement of Financial Activities and Fund Balance

As at December 31, 2016 (All dollars in \$000)

	2016	2015
REVENUES		
Deposits from residents	\$ 466	\$ 497
EXPENSES		
Payment for maintenance, withdrawals by residents and estate payments	444	493
Excess of revenues over expenses	22	4
Fund balance, beginning of year	191	187
FUND BALANCE, END OF YEAR	\$ 213	\$ 191

The Regional Municipality of Peel Trust Funds Statement of Cash Flows

For the year ended December 31, 2016 (All dollars in \$000)

	2016	2015
Excess of revenues over expenses	\$ 22	\$ 4
Cash, beginning of year	191	187
CASH, END OF YEAR	\$ 213	\$ 191

The accompanying notes are an integral part of these financial statements.

The Regional Municipality of Peel Trust Funds

Notes to the Financial Statements

For the year ended December 31, 2016

Significant Accounting Policies

These financial statements reflect the financial position, financial operations, and cash flows of funds held in trust by The Regional Municipality of Peel ("the Region") for residents of the Peel Manor and Sheridan Villa Senior Citizens' Residences, the Tall Pines and Malton Village Long Term Care Centres, and the Vera M. Davis Community Care Centre.

These financial statements are the representation of management and are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations, and reflect the following policies:

Basis of Accounting

Revenues are recorded in the period in which the transactions or events occurred that gave rise to the revenue.

Expenses are recorded in the period the goods and services are acquired and a liability is incurred, or transfers are due.

Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.



Community for Life

2016

Five-Year Review

The Regional Municipality of Peel, Ontario, Canada
for the year ended December 31, 2016

Five-Year Financial Review

Years Ended 2012 to 2016

Unaudited (All dollars in \$000)

	2016	2015	2014	2013	2012
Statement of Operations					
Sources of revenue					
Levies on area municipalities	\$ 963,485	\$ 937,857	\$ 897,166	\$ 871,471	\$ 851,696
Direct charges on ratepayers	365,280	324,429	303,374	284,392	278,366
Contributions – other governments	612,012	619,687	525,107	499,700	528,283
Contributions – developers	311,057	281,936	265,487	210,292	180,519
Contributed capital assets	58,615	85,656	134,335	58,911	67,280
Investment income	56,046	61,280	71,260	65,547	48,950
Fees, service charges and other	166,884	161,184	159,191	156,732	148,190
	2,533,379	2,472,029	2,355,920	2,147,045	2,103,284
Expenses by function					
General government	88,560	51,401	64,359	51,645	48,803
Protection to Property & Persons	453,327	435,846	425,139	407,404	393,005
Transportation services	121,950	132,966	118,881	115,824	102,751
GO Transit	18,291	17,303	36,389	47,694	41,577
Gas tax transferred to area municipalities	32,725	31,166	31,170	29,523	29,522
Environmental services	577,310	538,334	510,842	483,669	497,206
Health services	150,994	148,819	146,240	140,516	134,498
Social housing	501,266	474,095	443,864	423,045	400,011
Social and family services	176,503	183,913	177,473	181,281	171,031
GTA Pooling	-	-	-	-	10,123
Planning and development	6,496	5,694	5,719	4,866	4,247
Assessment/other	18,019	17,842	17,551	17,393	17,068
	2,145,441	2,037,379	1,977,627	1,902,860	1,849,842
Annual surplus	387,938	434,650	378,293	244,185	253,442
Accumulated surplus, beginning of year	10,412,030	9,977,380	9,599,087	9,354,902	9,111,042
Accumulated surplus, end of year	\$ 10,799,968	\$ 10,412,030	\$ 9,977,380	\$ 9,599,087	\$ 9,364,484
Expenses by object					
Salaries, wages and employee benefits	\$ 747,526	\$ 716,302	\$ 702,909	\$ 681,413	\$ 663,042
Debt servicing	67,630	68,328	69,709	63,222	50,447
Amortization	270,110	251,273	237,573	218,806	203,203
Operating and general expenditures	567,549	532,072	539,010	552,617	611,527
Transfers to others	492,626	469,404	428,426	386,802	321,623
	\$ 2,145,441	\$ 2,037,379	\$ 1,977,627	\$ 1,902,860	\$ 1,849,842

Annual Surplus represents the difference between revenues and expenses for the year.

Accumulated Surplus is the sum of net financial assets and non-financial assets.

Five-Year Financial Review (Continued)

Years Ended 2012 to 2016

Unaudited (All dollars in \$'000)

	2016	2015	2014	2013	2012
Statement of Financial Position					
Financial assets	\$ 2,468,986	\$ 2,174,091	\$ 2,230,137	\$ 2,255,809	\$ 1,890,123
Financial liabilities	2,458,537	2,321,127	2,327,712	2,316,597	1,906,526
Net financial assets (debt)	10,449	(147,036)	(97,575)	(60,788)	(16,403)
Tangible capital assets	10,760,026	10,530,091	10,048,495	9,635,006	9,357,205
Prepays & inventory	29,493	28,975	26,460	24,869	23,682
Accumulated Surplus	\$ 10,799,968	\$ 10,412,030	\$ 9,977,380	\$ 9,599,087	\$ 9,364,484
Reserves and Reserve Funds					
Reserves and reserve funds	\$ 1,726,090	\$ 1,613,042	\$ 1,570,305	\$ 1,503,620	\$ 1,339,456
	\$ 1,726,090	\$ 1,613,042	\$ 1,570,305	\$ 1,503,620	\$ 1,339,456
Long-term liabilities (see Note A)					
Long-term debt	\$ 1,474,347	\$ 1,341,784	\$ 1,353,836	1,364,136	1,063,196
Recoverable from lower tier municipalities	(145,583)	(120,877)	(92,387)	(68,765)	(20,459)
Revenues from Peel Housing Corporation properties	195,892	219,939	242,403	263,863	284,323
	\$ 1,524,656	\$ 1,440,846	\$ 1,503,852	\$ 1,559,234	\$ 1,327,060
Net long-term liabilities recovered from (see Note A)					
Property taxation	\$ 77,637	\$ 80,131	\$ 82,858	\$ 81,598	\$ 49,845
Revenue from development charges	1,251,127	1,140,776	1,178,591	1,213,773	992,892
Revenues from Peel Housing Corporation properties	195,892	219,939	242,403	263,863	284,323
	\$ 1,524,656	\$ 1,440,846	\$ 1,503,852	\$ 1,559,234	\$ 1,327,060
Charges for net long-term liabilities (see Note A)					
Supported by					
Property taxation	\$ 3,967	\$ 4,007	\$ 4,016	\$ 3,249	\$ 2,556
Revenue from development charges	55,553	55,075	55,203	48,274	34,883
Revenues from Peel Housing Corporation properties	8,110	9,246	10,490	11,699	13,008
	\$ 67,630	\$ 68,328	\$ 69,709	\$ 63,222	\$ 50,447
Debt repayment limit	\$ 260,144	\$ 245,774	\$ 224,507	\$ 237,960	\$ 246,630
(As prescribed by the Province)					

Net Financial Assets (debt) represents the difference between financial assets and liabilities.

Note A: The Region's share of its own sinking funds is deducted to arrive at net long-term liabilities as it represents funds accumulated to retire those liabilities.

Five-Year Financial Review (Continued)

Years Ended 2012 to 2016

Unaudited (All dollars in \$000)

	2016	2015	2014	2013	2012
RESERVE AND RESERVE FUNDS					
TAX SUPPORTED CAPITAL RESERVES					
General Government	\$ 144,929	\$ 136,614	\$ 108,740	\$ 111,169	\$ 129,123
Health Services	9,380	8,945	25,795	24,806	23,711
Housing	111,905	44,938	22,227	11,539	(19,575)
Protection to Property & Persons	51,992	36,650	44,726	43,495	50,674
Social & Family Services	65,236	52,634	30,358	26,121	22,525
Transportation	172,676	160,586	152,102	138,670	121,723
Waste Management	133,243	134,464	167,157	183,862	191,505
	689,362	574,831	551,105	539,662	519,686
UTILITY RATE SUPPORTED CAPITAL RESERVES					
Wastewater	301,226	305,230	293,476	258,734	218,689
Water	199,650	201,772	222,924	221,900	185,620
	500,876	507,002	516,400	480,634	404,309
Total Capital Reserves	1,190,238	1,081,833	1,067,505	1,020,296	923,995
WORKING FUND RESERVES					
General Government	75,553	121,836	108,332	111,493	70,881
Health Services	7,400	4,979	2,207	2,117	2,046
Housing	39,014	37,834	8,848	8,460	8,150
Other	8,455	8,024	7,770	7,454	7,203
Protection to Property & Persons	876	850	823	790	763
Social & Family Services	10,015	9,703	35,408	33,970	31,693
Transportation	10,589	10,276	9,950	9,546	9,225
Waste Management	7,026	6,818	6,602	2,701	2,611
Wastewater	28,646	11,858	13,022	25,188	20,500
Water	7,146	1,929	1,926	1,848	9,699
	194,718	214,107	194,889	203,568	162,771
RESERVE FUND					
General Government	1,230	1,159	1,053	1,022	812
Protection to Property & Persons	1,073	1,472	1,421	1,348	1,317
Social & Family Services	1,569	1,522	1,958	1,879	2,057
Transportation	87	84	81	78	183
Waste Management	249	242	234	224	217
	4,207	4,479	4,747	4,551	4,586

Five-Year Financial Review (Continued)

Years Ended 2012 to 2016

Unaudited (All dollars in \$000)

	2016	2015	2014	2013	2012
SPECIALTY RESERVES					
General Government	34,351	32,703	31,056	29,136	27,515
Housing	100,319	95,907	90,796	86,977	79,598
Social & Family Services	574	557	539	517	500
Waste Management	39,104	29,297	21,964	12,492	1,636
	174,348	158,464	144,355	129,122	109,249
POLICE					
Other	6,458	6,764	1,255	1,221	1,699
Tax Supported Capital Reserves	119,270	112,678	119,924	110,166	106,564
Working Fund Reserves	36,851	34,717	37,630	34,696	30,592
	162,578	154,159	158,809	146,084	138,855
Total Reserves and Reserve Funds	\$ 1,726,090	\$ 1,613,042	\$ 1,570,305	\$ 1,503,620	\$ 1,339,456

Five-Year Statistical Review

Years Ended 2012 to 2016

	2016	2015	2014	2013	2012
TAXABLE ASSESSMENT (By year of assessment, in \$millions)					
Residential and farm	\$ 187,325	\$ 184,624	\$ 181,213	\$ 178,215	\$ 174,312
Commercial and industrial	49,389	48,941	48,444	47,937	48,446
Total Taxable Assessment (see Note B)	\$ 236,714	\$ 233,565	\$ 229,657	\$ 226,152	\$ 222,758
TAXABLE ASSESSMENT (Normalized for Current Value Assessment, in \$millions)					
Residential and farm	\$ 175,798	\$ 165,481	\$ 154,754	\$ 144,594	\$ 134,142
Commercial and industrial	47,814	45,882	43,909	41,956	41,269
Total Taxable Assessment (see Note B)	\$ 223,612	\$ 211,363	\$ 198,663	\$ 186,550	\$ 175,411
BUILDING PERMITS (in millions)					
Residential	\$ 2,404	\$ 3,086	\$ 2,140	\$ 1,446	\$ 2,763
Non-residential	1,089	1,326	1,481	1,157	887
Total Building Permits	\$ 3,493	\$ 4,412	\$ 3,621	\$ 2,603	\$ 3,650
HOUSING STARTS (units)	5,362	8,100	4,607	6,298	6,803
POPULATION AT YEAR END					
Mississauga	751,000	750,000	748,000	746,000	745,000
Brampton	618,000	603,000	589,000	574,000	560,000
Caledon	69,000	68,000	66,000	65,000	63,000
Total Peel Population (see Note D)	1,438,000	1,421,000	1,403,000	1,385,000	1,368,000
HOUSEHOLDS (see Note E)	435,020	429,614	425,558	419,347	412,137
EMPLOYEES (Continuous full-time)					
Peel Regional Police	2,998	2,905	2,870	2,783	2,788
Other Regional services	4,141	4,205	4,030	4,151	4,206
Total Employees	7,139	7,110	6,900	6,934	6,994

Five-Year Statistical Review (Continued)

Years Ended 2012 to 2016

	2016		2015		2014		2013		2012	
PER CAPITA INFORMATION										
Taxable assessment	\$	130,268	\$	129,925	\$	129,161	\$	128,675	\$	127,421
Current expense		1,492		1,434		1,410		1,374		1,352
Reserves, reserve funds and development charges		1,200		1,135		1,119		1,086		979
Net Long-Term Liabilities										
Supported by										
Property taxation	\$	54	\$	56	\$	61	\$	60	\$	37
Revenue from development charges		870		803		838		876		725
Revenues from income producing properties		136		155		173		191		208
Total Net Long-term Liabilities	\$	1,060	\$	1,014	\$	1,072	\$	1,126	\$	970
EMPLOYEES PER HUNDRED THOUSAND RESIDENTS (Continuous full-time)										
Peel Regional Police		208		204		205		201		204
Other Regional services		288		296		287		300		307
Total Employees Per Hundred Thousand Residents		496		500		492		501		511
Dollars per Average Household										
Property taxes (see Notes C & D)	\$	1,851	\$	1,816	\$	1,783	\$	1,756	\$	1,734
Utility charges (see Notes C)		589		579		540		501		467
Average Homeowner Cost	\$	2,440	\$	2,395	\$	2,323	\$	2,257	\$	2,201

Note B: In 2016, fourth year of four year phase-in of re-assessment using 2012 as the base year.

Note C: 2012 based on residential taxable assessment value of \$388,500 and an average household water use of 31 tens of cubic metres per year.
 2013 based on residential taxable assessment value of \$409,500 and an average household water use of 31 tens of cubic metres per year.
 2014 based on residential taxable assessment value of \$431,000 and an average household water use of 31 tens of cubic metres per year.
 2015 based on residential taxable assessment value of \$452,500 and an average household water use of 31 tens of cubic metres per year.
 2016 based on residential taxable assessment value of \$474,000 and an average household water use of 29 tens of cubic metres per year.

Note D: Total population for periods 2012-2015 reflect interpolated values of the 2016 Census data.
 2016 population figures include the undercount of 3.94% from Hemson's background study: Greater Golden Horseshoe Growth Forecasts to 2041, Technical Report November 2012.

Note E: Total household for periods 2012-2015 are estimated by Peel planning based on the 2016 Census data.

Peel's Largest Employers

Accenture Inc.	HB Group Insurance Management Ltd.	PointClickCare
ADP Canada	Hatch Ltd.	Pouchmakers Canada Inc.
Air Canada	Hewlett-Packard (Canada) Co.	Purolator Courier Ltd.
Air Transat	HMS Host	Re/Max
ARI Financial Services Inc.	Honeywell Ltd.	Region of Peel
BD Canada	Hudson's Bay Company	Right at Home Realty Inc.
Bank of Montreal	Husky Injection Molding Systems	Roche
Baxter Canada Corporation	Intria Items Inc.	Rogers Communications Inc.
Bell Canada	Just Energy Group	Royal Bank of Canada Financial Group
BlackBerry Ltd.	Kingsway Real Estate Brokerage	Shoppers Drug Mart
Brampton Civic Hospital	Livingston International Inc.	Sobey's Inc.
Canada Border Services Agency	Loblaw Companies Ltd.	SOTI Inc.
Canada Post Corp.	Magna Precision Technologies	Staples Advantage Canada
Canada Revenue Agency	Maple Leaf Consumer Foods	Suncor Energy
Canadian Tire Corp. Distribution Centre	Maple Lodge Farms	Symcor Inc.
Canadian Imperial Bank of Commerce	Maritime-Ontario	Sysco Food Services
CitiFinancial Canada Inc.	Matcor Automotive Inc.	Taro Pharmaceuticals Inc.
City of Brampton	Matrix Logistics Services Ltd.	TD Canada Trust Group
City of Mississauga	Maxxam Analytics Inc.	The Credit Valley Hospital
Coca-Cola Bottling Company Ltd.	McDonald's	The Rosedale Group
Community Living Mississauga	Metro Inc.	The Shopping Channel
Costco Wholesale	MHI Canada Aerospace Inc.	Tim Horton's Inc.
Cyclone Manufacturing Inc.	Microsoft Canada Co.	TJX Canada
Davis & Henderson Ltd.	Mother Parker's Tea and Coffee Inc.	TST Overland Express
Dufferin-Peel Catholic District School Board	Nuance Group (Canada) Inc., The	Trillium Health Partners
Dynacare Medical Laboratories	Olymel L.P.	Triple M Metal L.P.
FCA Canada Inc. (Brampton Assembly Plant)	Oracle Corp. Canada	Tyco Integrated Fire and Security
Federal Express Canada Ltd.	PCL Constructors Canada Inc.	University of Toronto Mississauga
Gate Gourmet Group Inc.	Patheon Inc.	Wal-Mart Canada Inc.
General Electric Canada	Peel District School Board	World Vision Canada
GlaxoSmithKline Inc.	Peel Regional Police	Your Choice Realty
Greater Toronto Airport Authority	Performance Auto Group	
	Personal Insurance Company of Canada	

Note: Including total employment for all Region of Peel locations

Region of Peel Partners

Auditors

Deloitte LLP
Chartered Professional Accountants

Lead Banker

Royal Bank of Canada

Credit Rating Agencies

Moody's Investors Service
Standard & Poor's Global Ratings

Insurance Advisor/Consultant

Aon Reed Stenhouse Inc.

Debt Issuance Syndicate

BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
National Bank Financial Inc.
RBC Capital Markets Inc.
Scotia Capital Inc.
TD Bank Financial Group

Custodian Agent

RBC Investor & Treasury Services

For more Investor Relations information, visit
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of Peel**
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